

**JOURNAL**  
**OF THE**  
**SENATE**

**STATE OF MINNESOTA**

**SEVENTY-EIGHTH LEGISLATURE**

**1993**

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# Introduction

The 1993 Session of the Seventy-Eighth Legislature brought some changes to the leadership of the Minnesota Senate.

Senator Roger D. Moe, (DFL), Erskine, was re-elected as Majority Leader and Chair of the Committee on Rules and Administration.

Senator Dean E. Johnson, (IR), Willmar, was elected as Minority Leader.

Senator Allan H. Spear, (DFL), Minneapolis, was elected to serve as President of the Senate.

The political makeup of the 1993 Senate, Seventy-Eighth Legislature, was 45 DFL-ers and 22 Independent Republicans.

# Members of the Senate

Adkins, Betty A. (DFL)\*  
 Anderson, Ellen R. (DFL)  
 Beckman, Tracy L. (DFL)  
 Belanger, William V., Jr. (IR)\*\*  
 Benson, Duane D. (IR)  
 Benson, Joanne E. (IR)  
 Berg, Charles A. (DFL)  
 Berglin, Linda (DFL)  
 Bertram, Joe, Sr. (DFL)  
 Betzold, Don (DFL)  
 Chandler, Kevin M. (DFL)  
 Chmielewski, Florian (DFL)  
 Cohen, Richard J. (DFL)  
 Day, Dick (IR)  
 Dille, Steve (IR)  
 Finn, Harold R. "Skip" (DFL)  
 Flynn, Carol (DFL)  
 Frederickson, Dennis R. (IR)  
 Hanson, Paula E. (DFL)  
 Hottinger, John C. (DFL)  
 Janezich, Jerry R. (DFL)  
 Johnson, Dean E. (IR)  
 Johnson, Douglas J. (DFL)  
 Johnson, Janet B. (DFL)  
 Johnston, Terry D. (IR)  
 Kelly, Randy C. (DFL)  
 Kiscaden, Sheila M. (IR)  
 Knutson, David L. (IR)  
 Krentz, Jane (DFL)  
 Kroening, Carl W. (DFL)  
 Laidig, Gary W. (IR)  
 Langseth, Keith (DFL)  
 Larson, Cal (IR)  
 Lesewski, Arlene J. (IR)

Lessard, Bob (DFL)  
 Luther, William P. (DFL)  
 Marty, John (DFL)  
 McGowan, Patrick D. (IR)  
 Merriam, Gene (DFL)  
 Metzen, James P. (DFL)  
 Moe, Roger D. (DFL)  
 Mondale, Ted A. (DFL)  
 Morse, Steven (DFL)  
 Murphy, Steve L. (DFL)  
 Neuville, Thomas M. (IR)  
 Novak, Steven G. (DFL)  
 Oliver, Edward C. (IR)  
 Olson, Gen (IR)  
 Pappas, Sandra L. (DFL)  
 Pariseau, Pat (IR)  
 Piper, Pat (DFL)  
 Pogemiller, Lawrence J. (DFL)  
 Price, Leonard R. (DFL)  
 Ranum, Jane B. (DFL)  
 Reichgott, Ember D. (DFL)  
 Riveness, Phil J. (DFL)  
 Robertson, Martha R. (IR)  
 Runbeck, Linda (IR)  
 Sams, Dallas C. (DFL)  
 Samuelson, Don (DFL)  
 Solon, Sam G. (DFL)  
 Spear, Allan H. (DFL)  
 Stevens, Dan (IR)  
 Stumpf, LeRoy A. (DFL)  
 Terwilliger, Roy W. (IR)  
 Vickerman, Jim (DFL)  
 Wiener, Deanna (DFL)

\*DFL—Democratic-Farmer-Labor

\*\*IR—Independent Republican

## Senate Leaders

Roger D. Moe	Majority Leader
William P. Luther	Assistant Majority Leader
Carol Flynn	Majority Whip
Harold R. "Skip" Finn	Majority Whip
John C. Hottinger	Majority Whip
Ember D. Reichgott	Majority Whip
Dean E. Johnson	Minority Leader
Patrick D. McGowan	Assistant Minority Leader/Minority Whip
Pat Pariseau	Assistant Minority Leader
Roy W. Terwilliger	Assistant Minority Leader
Dennis R. Frederickson	Assistant Minority Leader/Floor Leader
Gen Olson	Assistant Minority Leader

# Officers of the Senate

Allan H. Spear ..... 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  
Bishop David W. Preus ..... Chaplain

## Desk Assistants to the Secretary of the Senate:

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

STATE OF MINNESOTA

# Journal of the Senate

SEVENTY-EIGHTH LEGISLATURE

FIRST DAY

St. Paul, Minnesota, Tuesday, January 5, 1993

This being the day designated by the Constitution and Laws of the State of Minnesota for the assembling of the Legislature, the members of the Senate met in the Senate Chamber of the Capitol and were called to order at 12 o'clock noon by the Lieutenant Governor, Joannell Dyrstad.

Prayer was offered by Bishop David W. Preus.

The Lieutenant Governor then appointed Mr. Florian Chmielewski as Clerk Pro Tem.

The Clerk Pro Tem called the roll by legislative districts in numerical order, and the following Senators-elect answered to their names and presented proof of their eligibility to be seated as members of the Senate.

First District.....	LeRoy A. Stumpf
Second District.....	Roger D. Moe
Third District.....	Bob Lessard
Fourth District.....	Harold R. "Skip" Finn
Fifth District.....	Jerry R. Janezich
Sixth District.....	Douglas J. Johnson
Seventh District.....	Sam G. Solon
Eighth District.....	Florian Chmielewski
Ninth District.....	Keith Langseth
Tenth District.....	Cal Larson
Eleventh District.....	Dallas C. Sams
Twelfth District.....	Don Samuelson
Thirteenth District.....	Charles A. Berg
Fourteenth District.....	Joe Bertram, Sr.
Fifteenth District.....	Dean E. Johnson
Sixteenth District.....	Joanne E. Benson
Seventeenth District.....	Dan Stevens
Eighteenth District.....	Janet B. Johnson
Nineteenth District.....	Betty A. Adkins
Twentieth District.....	Steve Dille
Twenty-first District.....	Arlene J. Lesewski
Twenty-second District.....	Jim Vickerman
Twenty-third District.....	Dennis R. Frederickson
Twenty-fourth District.....	John C. Hottinger
Twenty-fifth District.....	Thomas M. Neuville
Twenty-sixth District.....	Tracy L. Beckman
Twenty-seventh District.....	Pat Piper

Twenty-eighth District .....	Dick Day
Twenty-ninth District .....	Steve L. Murphy
Thirtieth District .....	Sheila M. Kiscaden
Thirty-first District .....	Duane D. Benson
Thirty-second District .....	Steven Morse
Thirty-third District .....	Patrick D. McGowan
Thirty-fourth District .....	Gen Olson
Thirty-fifth District .....	Terry D. Johnston
Thirty-sixth District .....	David L. Knutson
Thirty-seventh District .....	Pat Pariseau
Thirty-eighth District .....	Deanna Wiener
Thirty-ninth District .....	James P. Metzen
Fortieth District .....	Phil J. Riveness
Forty-first District .....	William V. Belanger, Jr.
Forty-second District .....	Roy Terwilliger
Forty-third District .....	Edward C. Oliver
Forty-fourth District .....	Ted A. Mondale
Forty-fifth District .....	Martha R. Robertson
Forty-sixth District .....	Ember D. Reichgott
Forty-seventh District .....	William P. Luther
Forty-eighth District .....	Don Betzold
Forty-ninth District .....	Gene Merriam
Fiftieth District .....	Paula E. Hanson
Fifty-first District .....	Jane Krentz
Fifty-second District .....	Steven G. Novak
Fifty-third District .....	Linda Runbeck
Fifty-fourth District .....	John Marty
Fifty-fifth District .....	Kevin M. Chandler
Fifty-sixth District .....	Gary W. Laidig
Fifty-seventh District .....	Leonard R. Price
Fifty-eighth District .....	Carl W. Kroening
Fifty-ninth District .....	Lawrence J. Pogemiller
Sixtieth District .....	Allan H. Spear
Sixty-first District .....	Linda Berglin
Sixty-second District .....	Carol Flynn
Sixty-third District .....	Jane B. Ranum
Sixty-fourth District .....	Richard J. Cohen
Sixty-fifth District .....	Sandra L. Pappas
Sixty-sixth District .....	Ellen R. Anderson
Sixty-seventh District .....	Randy C. Kelly

The Lieutenant Governor declared a quorum present.

### OATH OF OFFICE

The Senators in a body then subscribed to the oath of office as administered by the Honorable Alexander M. Keith, Chief Justice of the Supreme Court.

### ELECTION OF PRESIDENT

Mr. Solon nominated Mr. Allan H. Spear for President.

Mr. Benson, D.D. nominated Mr. William V. Belanger, Jr. for President.

The question was taken on the election of the President. The roll was called. The following Senators voted for Mr. Allan H. Spear:

Adkins	Hanson	Luther	Pappas	Solon
Anderson	Hottinger	Marty	Piper	Spear
Beckman	Janezich	Merriam	Pogemiller	Stumpf
Berglin	Johnson, D.J.	Metzen	Price	Vickerman
Betzold	Johnson, J.B.	Moe, R.D.	Ranum	Wiener
Chandler	Kelly	Mondale	Reichgott	
Cohen	Krentz	Morse	Riverness	
Finn	Kroening	Murphy	Sams	
Flynn	Langseth	Novak	Samuelson	

The following Senators voted for Mr. William V. Belanger, Jr.:

Belanger	Frederickson	Laidig	Oliver	Stevens
Benson, D.D.	Johnson, D.E.	Larson	Olson	Terwilliger
Benson, J.E.	Johnston	Lesewski	Pariseau	
Day	Kiscaden	McGowan	Robertson	
Dille	Knutson	Neuville	Runbeck	

Mr. Allan H. Spear received 41 votes of the members of the Senate and was duly elected President of the Senate.

Mr. William V. Belanger, Jr. received 22 votes of the members of the Senate.

#### OATH OF OFFICE

Mr. Allan H. Spear subscribed to the oath of office as administered by the Honorable Alexander M. Keith.

Mr. Allan H. Spear then briefly addressed the Senate in accepting the office of President.

#### ELECTION OF OFFICERS

Mr. Moe, R.D. nominated Mr. Patrick E. Flahaven for Secretary of the Senate.

The roll was called. The following Senators voted for Mr. Patrick E. Flahaven:

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

Mr. Patrick E. Flahaven received 67 votes of the members of the Senate and was duly elected Secretary of the Senate.

#### OATH OF OFFICE

The Secretary of the Senate advanced to the Bar of the Senate and

subscribed to the oath of office as administered by the Honorable Alexander M. Keith.

### ELECTION OF OFFICERS - CONTINUED

Mr. Moe, R.D. moved that the election to other elective offices be made on one roll call unless there should be more than one nomination for any office. The motion prevailed.

Mr. Merriam nominated Janine Mattson for First Assistant Secretary.

Mr. Johnson, D.J. nominated Patrice Dworak for Second Assistant Secretary.

Mr. Luther nominated Catherine Morrison for Engrossing Secretary.

Ms. Berglin nominated Sven Lindquist for Sergeant at Arms.

Mr. Lessard nominated Ralph Graham for Assistant Sergeant at Arms.

Mr. Moe, R.D. nominated Bishop David W. Preus for Chaplain.

The roll was called. The following Senators voted for the nominees:

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

The above nominees, having received the majority vote of all members voting, were declared duly elected to their respective offices.

### OATH OF OFFICE

The First Assistant Secretary, the Second Assistant Secretary, the Engrossing Secretary, the Sergeant at Arms, the Assistant Sergeant at Arms and the Chaplain advanced to the Bar of the Senate and subscribed to the oath of office as administered by the Honorable Alexander M. Keith.

### MOTIONS AND RESOLUTIONS

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

Senate Resolution No. 1: A Senate resolution naming a Majority Leader and a Minority Leader.

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

The Senate Majority Leader is Roger D. Moe. The Senate Minority Leader is Dean E. Johnson.



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

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

Senate Resolution No. 2: A Senate resolution relating to rules; adopting temporary rules for the 78th session of the Legislature.

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

The permanent rules of the Senate for the 77th session of the Legislature are adopted as the temporary rules of the 78th session, to be effective until the adoption of permanent rules by a majority vote of the Senate, subject to the following conditions:

A resolution or other question before the Senate may be brought to a vote at any time by a majority vote of the members present. A bill may not be introduced on the first day.

The rules referred to above are amended as follows:

57. The standing committees of the Senate are as follows:

Agriculture and Rural Development

~~Commerce~~ *Commerce and Consumer Protection*

*Crime Prevention*

~~Economic Development and Housing~~

Education

Elections and Ethics

Employment

Energy and Public Utilities

Environment and Natural Resources

*Ethics and Campaign Reform*

*Family Services*

Finance

Gaming Regulation

~~Governmental Operations~~ *Governmental Operations and Reform*

~~Health and Human Services~~ *Health Care*

*Jobs, Energy and Community Development*

Judiciary

Local Government

~~Metropolitan Affairs~~ *Metropolitan and Local Government*

Redistricting

Rules and Administration

## Taxes and Tax Laws

~~Transportation~~ *Transportation and Public Transit*

## Veterans and General Legislation

The Committee on Rules and Administration may constitute a standing Subcommittee on Committees, the report of which within its jurisdiction has the effect of a report of the main Committee on Rules and Administration. The subcommittee shall consist of five members, one of whom shall be a member of the minority group.

Each standing committee of the Senate, including a subcommittee of the committee, is authorized at any time to sit and act, to investigate and take testimony on any matter within its jurisdiction, to report hearings held by it, and to make expenditures as authorized from time to time by the standing Committee on Rules and Administration. A standing committee, but not a subcommittee, may require by subpoena or otherwise the attendance and testimony of witnesses and the production of correspondence, books, papers, and documents, in the manner provided by Minnesota Statutes, Section 3.153.

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

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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

Senate Concurrent Resolution No. 1: A Senate concurrent resolution relating to the adoption of temporary joint rules.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring:

The Joint Rules of the Senate and the House of Representatives for the 76th session are adopted as the temporary joint rules of the 78th session, to be effective until the adoption of Permanent Joint Rules by the Senate and the House of Representatives, subject to the following amendments:

### APPROPRIATING MONEY

Rule 2.02. The same bill shall not appropriate public money or property to more than one local or private purpose.

No clause appropriating money for a local or private purpose shall be contained in a bill appropriating money for the State government or public institutions. All resolutions authorizing the issuing of abstracts by the Secretary of the Senate or the Chief Clerk of the House for the payment of money shall be upon the call of "yeas" and "nays."

In odd-numbered years, at least ~~twenty~~ *eighteen* calendar days prior to the last day the Legislature can meet in regular session [Thursday, April 29, 1993], the Committee on Finance of the Senate and the Committee on ~~Appropriations~~ *Ways and Means* of the House shall report to their respective houses, unless directed by concurrent resolution to report different appropriation bills, ~~five separate~~ *appropriation bills for the two succeeding fiscal years* as follows:

(a) A bill appropriating money for the general administrative and judicial expenses of the State government ~~for the succeeding two fiscal years~~, including salaries, office expenses and supplies and other necessary expenses connected therewith;

(b) A bill covering all appropriations relating to ~~public welfare, health and corrections for the support and maintenance of all State penal and charitable institutions, and other institutions of the State except educational for the two succeeding fiscal years~~ *human services*;

(c) A bill appropriating money for the support and maintenance of ~~all~~ State educational institutions ~~for the two succeeding fiscal years~~;

(d) *A bill appropriating money for aid to school districts;*

(e) *A bill appropriating money for the protection and improvement of the State's environment and natural resources;*

(f) *A bill appropriating money for the department of transportation and other agencies;*

(g) *A bill appropriating money for criminal justice;*

(h) *A bill appropriating money for community development;*

(i) A bill covering all appropriations providing for the payment of claims against the State of Minnesota which may have been allowed by the Finance Committee of the Senate or the ~~Appropriations~~ *Ways and Means* Committee of the House;

(e) ~~A bill covering all appropriations made for agriculture, transportation, and semi-state activities.~~

No other appropriations shall be contained in any of said bills but all other appropriations shall be contained in separate bills.

#### DEADLINES

Rule 2.03. (a) *Except as provided in paragraph (b), in odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after April 14, 1989 the sixth Friday before the last Friday the Legislature can meet in regular session [April 2, 1993], and committee reports on bills originating in the other house favorably acted upon by a committee after April 26, 1989 the fourth Friday before the last Friday the Legislature can meet in regular session [April 16, 1993], 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.

(b) *Committee reports on bills containing an appropriation that are favorably acted upon by a committee in either house after the third Friday before the last Friday the Legislature can meet in regular session [April 23, 1993], 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. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations Ways and Means and on Taxes.*

(c) Conference committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [May 13, 1993]. After the last Friday on which the Legislature can meet in regular session [May 14, 1993], 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.

(b) (d) In even-numbered years the Legislature shall establish by concurrent resolution deadlines based on the date intended to be the date of adjournment sine die.

## ARTICLE IV: ELECTION OF REGENTS

### JOINT COMMITTEE

Rule 4.01. By May 7 of each odd-numbered year, or at a date agreed to by concurrent resolution, a joint committee shall meet to recommend nominees for regent of the University of Minnesota to be presented to a Joint Convention of the legislature. The members of the joint committee are the members of the senate and house committees on education and the members of the education division of the senate committee on finance and the education division of the house committee on appropriations. A majority of the members from each house is a quorum of the joint committee.

The joint committee shall determine the number of persons, and the person or persons to be recommended for each open seat.

Each person recommended by the regent candidate advisory council is considered to be nominated. Other persons may be nominated by a member of the committee at the meeting. Nominations may be made by committee members only. Nominations must be made for a specified congressional or student seat, or for any at-large seat.

The roll shall be called viva voce on the recommendation of regents. A majority vote of the members of the joint committee is required for a candidate to be recommended.

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

The question was taken on the adoption of the resolution:

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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

Senate Resolution No. 3: A Senate resolution relating to standing committees.

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

The standing committees of the Senate for the 78th session have the membership shown in this resolution.

#### COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT (10)

Bertram, Chair	Morse
Hanson, Vice Chair	Murphy
Berg	Sams
Dille	Stevens
Lesewski	Vickerman

#### COMMITTEE ON COMMERCE AND CONSUMER PROTECTION (15)

Solon, Chair	Kroening
Wiener, Vice Chair	Larson
Anderson	Luther
Belanger	Metzen
Chandler	Oliver
Day	Price
Janezich	Samuelson
Johnston	

#### COMMITTEE ON CRIME PREVENTION (13)

Spear, Chair	Belanger
Anderson, Vice Chair	Cohen
Beckman	Kelly

Laidig  
Marty  
McGowan  
Merriam

Neuville  
Piper  
Ranum

#### COMMITTEE ON EDUCATION (22)

Pogemiller, Co-Chair  
Stumpf, Co-Chair  
Krentz, Vice Chair  
Price, Vice Chair  
Beckman  
Benson, J.E.  
Hanson  
Janezich  
Knutson  
Langseth  
Larson

Moe, R.D.  
Murphy  
Neuville  
Olson  
Pappas  
Ranum  
Reichgott  
Robertson  
Solon  
Terwilliger  
Wiener

#### COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES (18)

Lessard, Chair  
Chandler, Vice Chair  
Anderson  
Benson, J.E.  
Berg  
Dille  
Finn  
Frederickson  
Johnson, J.B.

Laidig  
Merriam  
Mondale  
Morse  
Novak  
Olson  
Pariseau  
Price  
Riveness

#### COMMITTEE ON ETHICS AND CAMPAIGN REFORM (12)

Marty, Chair  
Luther, Vice Chair  
Cohen  
Flynn  
Johnson, D.E.  
Johnson, D.J.

Laidig  
McGowan  
Moe, R.D.  
Pariseau  
Pogemiller  
Reichgott

#### COMMITTEE ON FAMILY SERVICES (16)

Piper, Chair  
Betzold, Vice Chair  
Adkins  
Benson, J.E.  
Berglin  
Chandler  
Johnson, J.B.  
Kelly

Kiscaden  
Knutson  
Krentz  
Riveness  
Robertson  
Samuelson  
Solon  
Stevens

## COMMITTEE ON FINANCE (21)

Merriam, Chair	Larson
Kelly, Vice Chair	Luther
Beckman	McGowan
Cohen	Morse
Frederickson	Piper
Johnson, D.E.	Ranum
Johnson, J.B.	Samuelson
Johnston	Spear
Kroening	Stumpf
Laidig	Terwilliger
Langseth	

## COMMITTEE ON GAMING REGULATION (10)

Berg, Chair	Marty
Janezich, Vice Chair	McGowan
Adkins	Mondale
Bertram	Neuville
Johnson, D.E.	Spear

COMMITTEE ON GOVERNMENTAL OPERATIONS  
AND REFORM (13)

Metzen, Chair	Runbeck
Riveness, Vice Chair	Sams
Beckman	Stevens
Benson, D.D.	Stumpf
Hottinger	Terwilliger
Morse	Wiener
Pogemiller	

## COMMITTEE ON HEALTH CARE (12)

Berglin, Chair	Hottinger
Sams, Vice Chair	Kiscaden
Benson, D.D.	Oliver
Betzold	Piper
Day	Samuelson
Finn	Vickerman

COMMITTEE ON JOBS, ENERGY AND  
COMMUNITY DEVELOPMENT (13)

Novak, Chair	Johnson, D.J.
Johnson, J.B., Vice Chair	Kelly
Anderson	Kroening
Chandler	Lesewski
Chmielewski	Metzen
Dille	Runbeck
Frederickson	

## COMMITTEE ON JUDICIARY (10)

Reichgott, Chair	Kiscaden
Finn, Vice Chair	Knutson
Berglin	Krentz
Betzold	Robertson
Cohen	Spear

COMMITTEE ON METROPOLITAN AND  
LOCAL GOVERNMENT (15)

Adkins, Chair	Lessard
Mondale, Vice Chair	Oliver
Betzold	Pappas
Day	Pariseau
Flynn	Robertson
Hottinger	Runbeck
Janezich	Wiener
Langseth	

## COMMITTEE ON RULES AND ADMINISTRATION (30)

Moe, R.D., Chair	Marty
Luther, Vice Chair	McGowan
Adkins	Merriam
Belanger	Metzen
Benson, D.D.	Novak
Berg	Olson
Berglin	Pariseau
Bertram	Piper
Chmielewski	Pogemiller
Flynn	Reichgott
Frederickson	Solon
Johnson, D.E.	Spear
Johnson, D.J.	Stumpf
Laidig	Terwilliger
Lessard	Vickerman

## COMMITTEE ON TAXES AND TAX LAWS (22)

Johnson, D.J., Chair	Marty
Pappas, Vice Chair	Mondale
Belanger	Neuville
Benson, D.D.	Novak
Benson, J.E.	Olson
Berglin	Pariseau
Bertram	Pogemiller
Day	Price
Finn	Reichgott
Flynn	Riveness
Hottinger	Samis



## COMMITTEE ON TRANSPORTATION AND PUBLIC TRANSIT (15)

Chmielewski, Chair	Langseth
Ranum, Vice Chair	Lesewski
Belanger	Murphy
Dille	Novak
Flynn	Olson
Hanson	Pappas
Johnston	Vickerman
Krentz	

## COMMITTEE ON VETERANS AND GENERAL LEGISLATION (10)

Vickerman, Chair	Johnston
Murphy, Vice Chair	Larson
Bertram	Lesewski
Chmielewski	Lessard
Hanson	Metzen

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

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

Senate Resolution No. 4: A Senate Resolution relating to the schedule of standing committee meetings.

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

The standing committees shall meet during the 78th Legislature according to the following schedule:

## SENATE COMMITTEE SCHEDULE

COMMITTEE/CHAIR		Meeting	Room	Hour
Office	Phone	Day	No.	
Room	296-			
<b>Agriculture and Rural Development/Bertram</b>				
323	7405	M, W	107	12-2 p.m.
<b>Commerce and Consumer Protection/Solon</b>				
303	4158	M, W	112	12-2 p.m.
<b>Crime Prevention/Spear</b>				
G-27	4191	M, W, Th	15	2-4 p.m.
<b>Education/Pogemiller/Stumpf</b>				
235	4185	T, W, Th	112	10-12 noon
<b>Environment and Natural Resources/Lessard</b>				
111	1113	T	107	2-4 p.m.
		F	107	10-2 p.m.
<b>Ethics and Campaign Reform/Marty</b>				
G-9	8866	T, Th	107	12-2 p.m.

<b>Family Services/Piper</b>					
G-9	9248	T, Th	15		12-2 p.m.
<b>Finance/Merriam</b>					
122	4157	M, T, W, Th	123		4-6 p.m.
<b>Gaming Regulation/Berg</b>					
328	5539	T, W	107		8-10 a.m.
<b>Governmental Operations and Reform/Metzen</b>					
303	4175	T, W, F	15		8-10 a.m.
<b>Health Care/Berglin</b>					
G-9	4151	T, W, Th	15		10-12 noon
<b>Jobs, Energy and Community Development/Novak</b>					
322	1767	T, W, Th	107		10-12 noon
<b>Judiciary/Reichgott</b>					
306	2889	M, W	15		12-2 p.m.
<b>Metropolitan and Local Government/Adkins</b>					
309	4150	M, W, Th	107		2-4 p.m.
<b>Rules and Administration/Moe, R.D.</b>					
208	4196	On call			
<b>Taxes and Tax Laws/Johnson, D.J.</b>					
205	4839	M, T, W, Th	15		4-6 p.m.
<b>Transportation and Public Transit/Chmielewski</b>					
325	4186	T, W, F	112		8-10 a.m.
<b>Veterans and General Legislation/Vickerman</b>					
226	1771	T, Th	112		12-2 p.m.

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

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

Senate Resolution No. 5: A Senate resolution relating to postage.

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

For the 1993 session of the 78th 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 resolution.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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

Senate Concurrent Resolution No. 2: A Senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring:

The custodian of the Capitol shall reserve all parking space necessary on the Capitol grounds, Capitol Approach and Aurora Avenue for the use of the members and staff of the Legislature for the 78th session of the Legislature, allowing reasonable space for parking to the general public having business at the Capitol. The Committee on Rules and Administration of the Senate and the Committee on Rules and Legislative Administration of the House of Representatives may designate necessary personnel to assist the custodian of the Capitol in this matter.

The Secretary of the Senate and the Chief Clerk of the House of Representatives may deduct from the check of any legislator or legislative employee in each year of the 78th session of the Legislature a sum adequate to cover the exercise of the parking privilege defined in this resolution in conformity with the practice of the Department of Administration.

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

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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

Senate Resolution No. 6: A Senate resolution relating to the attendance of members of standing committees at meetings and seminars; providing for the payment of expenses.

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

Members of a standing committee or subcommittee of the Senate, and employees thereof, upon approval of the Committee on Rules and Administration or its chair, may attend meetings and seminars, including but not limited to meetings of the National Conference of State Legislatures and the Council of State Governments and their committees, on subjects within the jurisdiction of the standing committee or subcommittee.

Expenses incurred in attending these meetings and seminars must be paid by the Secretary of the Senate with warrants drawn on 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 resolution.

The roll was called, and there were yeas 64 and nays 3, as follows:

Those who voted in the affirmative were:

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

Ms. Johnston, Mrs. Pariseau and Ms. Robertson voted in the negative.

The motion prevailed. So the resolution was adopted.

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

Senate Resolution No. 7: A Senate resolution relating to expenses of interns.

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

For the 1993 session of the 78th 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 \$50 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 resolution.

The roll was called, and there were yeas 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

The motion prevailed. So the resolution was adopted.

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

Senate Resolution No. 8: A Senate resolution naming a president pro tem.

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

The President Pro Tem of the Senate is Florian Chmielewski.

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

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

Senate Resolution No. 9: A Senate resolution relating to appointment of a committee to notify the Governor the Senate is organized.

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

The President of the Senate shall appoint a committee of five to act with a similar committee of the House of Representatives to notify the Honorable

Arne H. Carlson, Governor of the State of Minnesota, that the Senate and House of Representatives are now organized under law and ready to receive any message he may desire to give them.

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

### APPOINTMENTS

Pursuant to the foregoing resolution, the President made the following appointments:

Ms. Anderson, Mr. Finn, Meses. Flynn, Kiscaden and Mr. Terwilliger.

### MOTIONS AND RESOLUTIONS - CONTINUED

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

Senate Resolution No. 10: A Senate resolution relating to appointment of a committee to notify the House of Representatives that the Senate is organized.

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

The President of the Senate shall appoint a committee of five to notify the House of Representatives that the Senate is now organized.

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

### APPOINTMENTS

Pursuant to the foregoing resolution, the President made the following appointments:

Messrs. Dille, Janezich, Ms. Pappas, Mr. Price and Ms. Runbeck.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Wednesday, January 6, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SECOND DAY

St. Paul, Minnesota, Wednesday, January 6, 1993

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 Senator Pat Piper.

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

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

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.

December 9, 1992

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House of Representatives

Dear President Spear and Speaker Long:

I respectfully request the opportunity of addressing a Joint Session of the

House and Senate of the 78th Session of the Minnesota Legislature on Thursday, January 14, 1993, at 7:00 p.m. for the purpose of presenting my State of the State address to the Legislature.

Warmest regards,  
Arne H. Carlson, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to inform the Senate that the House of Representatives invites and is ready to meet with the Senate at 6:45 p.m., Thursday, January 14, 1993, to receive the message of the Honorable Arne H. Carlson, Governor of the State of Minnesota, said message to be delivered at 7:00 p.m., Thursday, January 14, 1993.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 5, 1993

Mr. Moe, R.D. moved that the Senate accede to the request of the House of Representatives to meet in Joint Convention in the House Chamber at 6:45 p.m., Thursday, January 14, 1993, to receive the message of the Honorable Arne H. Carlson, Governor of the State of Minnesota. The motion prevailed.

Mr. President:

I have the honor to announce that the House has appointed a committee of seven members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber, Thursday, January 14, 1993, said Joint Convention to be convened at 6:45 p.m. and said message of the Governor to be delivered at 7:00 p.m.

Dawkins; Pugh; Brown, K.; Tomassoni; Wejzman; Lynch and Pawlenty have been appointed as members of such committee on the part of the House.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 5, 1993

Mr. President:

I have the honor to announce that the House of Representatives of the State of Minnesota is now duly organized pursuant to law and has elected the following officers:

Dee Long, Speaker

Edward A. Burdick, Chief Clerk

Albin A. Mathiowetz, First Assistant Chief Clerk

Teresa B. Kittridge, Second Assistant Chief Clerk

Ronald G. Lawrence, Postmaster

Soliving K. Kong, Assistant Postmaster



Margaret M. Olson, Assistant Sergeant at Arms  
LeClair G. Lambert, Assistant Sergeant at Arms  
Frank J. Strohmayer, Index Clerk  
Reverend Donald M. Meisel, Chaplain

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 5, 1993

Mr. President:

I have the honor to announce that the House has appointed a committee of seven members of the House to act with a like committee on the part of the Senate to notify the Governor that the House of Representatives and the Senate of the State of Minnesota are duly organized pursuant to law and are ready to receive any message that he may have.

Kelso, Chair; Hausman; Mariani; Bergson; Klinzing; Waltman and Commers have been appointed to such committee on the part of the House.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 5, 1993

#### **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. 1: A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; requiring establishment of worker participation committees before agency restructuring; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 15A.081, subdivision 1; and 43A.045; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

Referred to the Committee on Governmental Operations and Reform.

Ms. Berglin, Messrs. Benson, D.D. and Solon introduced—

S.F. No. 2: A bill for an act relating to insurance; Medicare supplement; permitting phased-in compliance with community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1.

Referred to the Committee on Health Care.

Messrs. Metzen, Bertram, Price, Samuelson and Stumpf introduced—

S.F. No. 3: A bill for an act relating to lawful gambling; modifying the definition of lawful purpose to include expenditures on certain activities and facilities intended primarily for persons over age 54; amending Minnesota Statutes 1992, section 349.12, subdivision 25.

Referred to the Committee on Gaming Regulation.

#### **MEMBERS EXCUSED**

Messrs. Chmielewski and Kroening were excused from the Session of today.

#### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, January 7, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRD DAY

St. Paul, Minnesota, Thursday, January 7, 1993

The Senate met at 9:30 a.m. and was called to order by the President.

#### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rabbi Stacy Offner.

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

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

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. The motion prevailed.

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

S.F. No. 2: A bill for an act relating to insurance; Medicare supplement; permitting phased-in compliance with community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1.

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

Page 3, line 15, before the period, insert "*for those policies that cover individuals under 65*"

Page 9, line 1, after the period, insert "*Except as otherwise permitted under the phase-in timetable allowed under this paragraph,*"

Page 10, line 13, delete from "*Health*" through page 10, line 15, to the period and insert "*Health plans other than health maintenance organizations may choose to use the phase-in timetable only for renewal coverage and may fully implement community rating for any newly-issued coverage. If the carrier chooses this option for newly-issued coverage, the commissioner of commerce should take this into account in approving the carrier's subsequent rating period.*"

Page 11, line 13, after "*portion*" insert "*of*"

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

### MOTIONS AND RESOLUTIONS

Ms. Berglin moved that her name be stricken as chief author, shown as a co-author and the name of Mr. Benson, D.D. be shown as chief author to S.F. No. 2. The motion prevailed.

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

Senate Resolution No. 11: A Senate resolution relating to appointment of a committee to escort the Governor to the House Chamber for a Joint Convention.

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

The President of the Senate shall appoint a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Arne H. Carlson, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Thursday, January 14, 1993, at 7:00 o'clock p.m.

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

### APPOINTMENTS

Pursuant to the foregoing resolution, the President made the following appointments:

Mrs. Adkins, Ms. Krentz, Messrs. Larson, Oliver and Ms. Ranum.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Larson introduced—

Senate Resolution No. 12: A Senate resolution congratulating the Detroit Lakes High School Football Team on winning the 1992 State Class A Football Championship.

Referred to the Committee on Rules and Administration.

Mr. Vickerman introduced—

Senate Resolution No. 13: A Senate resolution congratulating the Tracy High School Panthers for winning the 1992 State High School Class A Girls Volleyball Tournament.

Referred to the Committee on Rules and Administration.

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

Senate Concurrent Resolution No. 3: A Senate concurrent resolution relating to adjournment for more than three days.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on Thursday, January 14, 1993, the Senate may set its next day of meeting for Tuesday, January 19, 1993.

2. Upon its adjournment on Thursday, January 14, 1993, the House of Representatives may set its next day of meeting for Tuesday, January 19, 1993.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

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

### SUSPENSION OF RULES

Ms. Runbeck 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. 6 and that the rules of the Senate be so far suspended as to introduce S.F. No. 6 at this point in the Senate Order of Business and to give S.F. No. 6 its first, second and third reading and place it on its final passage.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 23 and nays 43, as follows:

Those who voted in the affirmative were:

Belanger	Dille	Knutson	Neuville	Runbeck
Benson, D.D.	Frederickson	Laidig	Oliver	Stevens
Benson, J.E.	Johnson, D.E.	Larson	Olson	Terwilliger
Berg	Johnston	Lesewski	Pariseau	
Day	Kiscaden	McGowan	Robertson	

Those who voted in the negative were:

Adkins	Flynn	Langseth	Murphy	Sams
Anderson	Hanson	Lessard	Novak	Samuelson
Beckman	Hottinger	Luther	Pappas	Solon
Berglin	Janezich	Marty	Piper	Spear
Bertram	Johnson, D.J.	Merriam	Pogemiller	Stumpf
Betzold	Johnson, J.B.	Metzen	Price	Vickerman
Chandler	Kelly	Moe, R.D.	Ranum	Wiener
Chmielewski	Krentz	Mondale	Reichgott	
Finn	Kroening	Morse	Rivness	

The motion did not prevail.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Bertram introduced—

S.F. No. 4: A bill for an act relating to retirement; providing an open appropriation for payment of state reimbursement for supplemental retirement benefits paid to volunteer firefighters; amending Minnesota Statutes 1992, section 424A.10, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Mr. Benson, D.D. introduced—

S.F. No. 5: A bill for an act relating to game and fish; extending the permissible period for the open season on raccoon; amending Minnesota Statutes 1992, section 97B.621, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck, Messrs. Neville; Johnson, D.E.; Berg and Ms. Lesewski introduced—

S.F. No. 6: A bill for an act relating to the compensation of state officers; providing for legislative salary recommendations; setting 1993 salaries for legislators, justices, judges, constitutional officers, and heads of executive departments; amending Minnesota Statutes 1992, section 15A.082, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Mr. Vickerman introduced—

S.F. No. 7: A bill for an act relating to transportation; requiring county money to match federal funds for construction of Bloomington ferry bridge.

Referred to the Committee on Transportation and Public Transit.

Mr. Bertram introduced—

S.F. No. 8: A bill for an act relating to intoxicating liquor; authorizing the county board to issue a combination off-sale and on-sale intoxicating liquor license to a certain establishment.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Johnson, D.E. and Dille introduced—

S.F. No. 9: A bill for an act relating to education; appropriating money for a cooperative secondary facilities grant to a certain group of districts.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 10: A bill for an act relating to education; transferring functions of the higher education coordinating board; changing the membership, terms, and functions of the higher education board; allowing the merger of certain technical colleges by agreement; amending Minnesota Statutes 1992, sections 15A.081, subdivision 7b; 136E.01; 136E.02; 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, section 8, subdivisions 1 and 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 136E; repealing Minnesota Statutes 1992, sections 135A.061; 135A.50; 136A.01; 136A.02; 136A.03; 136A.04, subdivisions 1 and 2; 136E.03; 136E.04; and 136E.05; Laws 1991, chapter 356, article 9, section 8, subdivisions 3 to 9; and sections 9 to 16.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 11: A bill for an act relating to tax-forfeited lands; authorizing independent school district No. 577 of Willow River to sell certain tax-forfeited lands to correct an erroneous boundary assumption.

Referred to the Committee on Environment and Natural Resources. Mr. Chmielewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Chmielewski introduced—

S.F. No. 12: A resolution expressing the legislature's opposition to federal legislation requiring suspension of licenses for individuals convicted of violations of the federal Controlled Substances Act.

Referred to the Committee on Transportation and Public Transit.

Messrs. Vickerman, Murphy and Larson introduced—

S.F. No. 13: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, section 168.125, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Mr. Vickerman introduced—

S.F. No. 14: A bill for an act relating to solid waste; requiring the state to pay solid waste management fees imposed by counties; amending Minnesota Statutes 1992, section 400.08, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, January 11, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## FOURTH DAY

St. Paul, Minnesota, Monday, January 11, 1993

The Senate met at 11:00 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. Richard Keene Smith.

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	Dille	Kroening	Murphy	Sams
Anderson	Finn	Laidig	Neuville	Samuelson
Beckman	Flynn	Langseth	Novak	Solon
Belanger	Hanson	Larson	Oliver	Spear
Benson, D.D.	Janezich	Lesewski	Olson	Stevens
Benson, J.E.	Johnson, D.E.	Lessard	Pappas	Stumpf
Berg	Johnson, D.J.	Luther	Pariseau	Terwilliger
Bertram	Johnson, J.B.	Marty	Piper	Vickerman
Betzold	Johnston	McGowan	Price	Wiener
Chandler	Kelly	Merriam	Ranum	
Chmielewski	Kiscaden	Metzen	Reichgott	
Cohen	Knutson	Mondale	Robertson	
Day	Krentz	Morse	Runbeck	

The President declared a quorum present.

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

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

Various reports were filed during the 1992 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 Employee Relations, Budget Cut Personnel Impacts, 1992; Office of the Attorney General, OSHA Staffing, 1992; Department of Public Safety, Bias Crime Report, 1991; Department of Human Services, Nursing Facility Use of Their Inflation Wage Increase, 1992; Legislative Water Commission, MN Water Management Needs for the Year 2000 and Recommendations on Nitrogen Compounds in Groundwater; University of Minnesota, Supplemental Benefits Plan, Actuarial Valuation as of



June 30, 1991; Department of Human Services; Supplemental Aid Program, Annual Report, Fiscal Year 1990; Department of Transportation, A Study of the Effects of Exempting Fertilizer and Agricultural Chemical Retailers from Driver Hours-of-Service Regulations, 1992; Department of Public Safety, Domestic Abuse Prosecution Plan, 1992; Department of Natural Resources, Division of Parks and Recreation, Park Partners Feasibility Study, 1992; Department of Trade and Economic Development, Northwest Airlines Estimated Cost Report, 1992; Department of Transportation, Transit Report, 1991; Office of the Attorney General and the Department of Education, Equal Educational Opportunities, Interscholastic Athletic Equity in Minnesota High Schools, 1992; Board on Judicial Standards, Annual Report, 1991; Department of Trade and Economic Development, Foreign Trade Offices, Strategy and Options, 1992; Minnesota State Fair, Annual Report, 1991; Department of Administration, Targeted Group and Economically Disadvantaged Small Business Purchasing Program, Annual Report, 1991; Department of Public Safety, Alcohol, Drugs and Driving, Drug Impaired Driver Study, 1992; Department of Agriculture, Agricultural Land Preservation Program, Status Report, 1991; Department of Public Safety, Community Crime and Drug Prevention Grant Program and Multidisciplinary Chemical Abuse Prevention Teams, 1990-92; Department of Administration, Reuse of the University of Minnesota Waseca Campus, 1992; Board of Peace Officer Standards and Training, Higher Education Task Force on Professional Peace Officer Education, 1992; Region Five Development Commission, Work Program, July 1, 1992 - June 30, 1993; Office of Waste Management, Plastics Reduction and Recycling in Minnesota, 1992; Department of Public Safety, Minnesota Crime Information, 1991; Board of Psychology, Biennial Report, July 1, 1988 - June 30, 1990; Department of Public Safety, Affirmative Action Plan Revisions, 1991-92; Department of Transportation, Annual Report, 1991; Department of Human Services, General Assistance Medical Care, Annual Report, July 1, 1990 - June 30, 1991; Department of Human Services, General Assistance and Work Readiness, Annual Report, 1990; Department of Human Services, Aid to Families with Dependent Children, Annual Report, 1991; Department of Human Services, Medical Assistance (Title XIX), Annual Report, July 1, 1990 - June 30, 1991; Department of Public Safety, Recommendations to Improve Public Road Safety Related to Requirements for Lighting and Reflectors on Farm Vehicles, 1992; Southwest Regional Development Commission, Overall Work Program, Fiscal Year 1993; Department of Trade and Economic Development, Annual Report, 1992; Department of Public Safety, Motor Vehicle Crash Facts, 1991; Department of Human Services, Comprehensive Plan for Implementing an Experimental Project to Reduce the Number of Duplicate Public Assistance Warrants, 1992; Office of the State Auditor, Revenues, Expenditures and Debt of Minnesota Counties, 1990; Southwest Regional Development Commission, Annual Report, 1992; Department of Corrections, Challenge Incarceration Program, 1992; Department of Public Safety, Gambling Enforcement Division, Security Audit of State Lottery, 1992; Department of Human Services, Social Services in Minnesota, 1990: Revenues, Expenditures, and Clients Under the Community Social Services Act; Board of Marriage and Family Therapy, Biennial Report; Board of Veterinary Medicine, Biennial Report, July 1, 1990 - June 30, 1992; Board of Social Work, Biennial Report, July 1, 1990 - June 30, 1992; Department of Public Safety, Motor Vehicle Registration; Municipal State Aid Needs Unit, Municipal State Aid Needs Report, 1992; Board of Nursing, Biennial Report, July 1, 1990 - June 30, 1992; The Supreme Court, Court Administrator's Report, 1992; Board of Electricity, Biennial Report, July 1,

1990 – July 1, 1992; Department of Public Safety, Communications Review; Ethical Practices Board, Annual Report, July 1, 1991 – June 30, 1992; Board of Public Defense, Annual Report, 1991; Board of Investment, Supplemental Investment Fund, July 1, 1992; Department of Human Services, Medical Care Surcharge Report; Department of Administration, Risk Management Division, Annual Report, A Year of Maturity, 1992; State Advisory Council on Mental Health, Report to the Governor and Legislature, 1992; Eighth Judicial District Administrator, County Juvenile Facility Needs Assessment for the Eighth Judicial District, 1992; Board of Animal Health, Annual Report, July 1, 1991 – June 30, 1992; Board of Boxing, Biennial Report, July 1, 1991 – June 30, 1992; County of Anoka, Secure Juvenile Detention and Post-Adjudication Resources Needs Assessment, 10th Judicial District, 1992; Board of Pharmacy, Biennial Report, July 1, 1990 – June 30, 1992; Board of Assessors, Biennial Report, July 1, 1990 – June 30, 1992; Department of Public Safety, Division of Emergency Management, Minnesota Incident Management System, 1992; Indian Affairs Council, Annual Report, July 1991 – June 1992; Board of Peace Officer Standards and Training, Biennial Report, July 1, 1990 – June 30, 1992; Board of Teaching, Biennial Report, July 1, 1990 – June 30, 1992; Board of Nursing Home Administrators, July 1, 1990 – June 30, 1992; Board of Podiatric Medicine, Biennial Report, July 1, 1988 – June 30, 1990; Harmful Substance Compensation Board, Annual Report, July 1, 1991 – June 30, 1992; Department of Human Services, Fact Book: Minnesota State Operated Residential Programs, 1993; Department of Trade and Economic Development, Small Business and Small Targeted Group Business Procurement Program, July 1, 1991 – June 30, 1992; Department of Public Safety, Status of the Minnesota Emergency Response Plan for High-Level Radioactive Waste Transportation Accidents/Incidents, 1992; Department of Human Services, Telephone Assistance Plan Program, 1992; Department of Administration, 9-1-1 Status Report, 1992; Public Utilities Commission, Elimination of Four-Party Local Exchange Service in the State, 1993; Department of Jobs and Training, Head Start in Minnesota, 1993; Department of Agriculture, Biennial Report, 1990-92; Minnesota Early Childhood Care and Education Council, Interim Report, 1993; State Board of Accountancy, Biennial Report, July 1, 1990 – June 30, 1992; Metropolitan Council, Minneapolis-St. Paul International Airport Reuse Study, 1993; Department of Administration, Real Estate Management, Biennial Land Disposition, 1992; Office of Administrative Hearings, Chief Administrative Law Judge on Length of Hearings in Workers' Compensation Cases, 1992; Office of Administrative Hearings, Administrative Law Division and Workers' Compensation Division, Annual Report, 1992; Department of Health, Advisability and Feasibility of Consolidating Licensure and Regulation of Home Care Services and Residential Care Homes, 1992; Board of Investment Annual Report, 1992; Office of Waste Management, Loosefill Comparison Study, 1993; Board of Aging, Congregate Housing Services Projects, 1993; St. Paul Teachers' Retirement Fund Association, Annuity and Benefit Recipient's Report, 1992.

### 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. 1: A Senate concurrent resolution relating to the adoption of temporary joint rules.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 7, 1993

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. 2: A Senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 7, 1993

### REPORTS OF COMMITTEES

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

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

S.F. No. 2: A bill for an act relating to insurance; Medicare supplement; permitting phased-in compliance with community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1.

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

Page 10, line 19, after "*approving*" insert "*rates for*"

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

### SECOND READING OF SENATE BILLS

S.F. No. 2 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Bertram moved that the names of Messrs. Johnson, D.J.; Sams and Samuelson be added as co-authors to S.F. No. 4. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 10. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 13. 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. Luther introduced—

S.F. No. 15: A bill for an act relating to insurance; establishing and regulating the life and health insurance guaranty association; providing for its powers and duties; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 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.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Larson, Vickerman, Chmielewski and Ms. Lesewski introduced—

S.F. No. 16: A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; dedicating part of the sales tax to a local government trust fund.

Referred to the Committee on Taxes and Tax Laws.

Ms. Pappas, Messrs. Betzold, Hottinger, Murphy and Janezich introduced—

S.F. No. 17: A bill for an act relating to state government; providing for gender balance in multimember agencies; amending Minnesota Statutes 1992, section 15.0597, by adding subdivisions.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Beckman, Stumpf, Sams, Vickerman and Day introduced—

S.F. No. 18: A resolution memorializing the United States Secretary of Agriculture to establish higher contract prices for grain commodities.

Referred to the Committee on Agriculture and Rural Development.

Mr. Price, Ms. Reichgott, Mr. Johnson, D.J.; Mses. Flynn and Olson introduced—

S.F. No. 19: A bill for an act relating to taxation; providing for purchase of certain tax-forfeited lands; providing a refund; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; and 282.241.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Johnson, D.J.; Day; Janezich; Vickerman and Beckman introduced—

S.F. No. 20: A bill for an act relating to ambulance service personnel; establishing an ambulance service personnel longevity award and incentive program; imposing a driver's license surcharge; appropriating money; amending Minnesota Statutes 1992, section 171.06, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 144C.

Referred to the Committee on Health Care.

Mr. Mondale, Mrs. Adkins, Mses. Flynn and Pappas introduced—

S.F. No. 21: A bill for an act relating to local government; requiring that zoning and subdivisions be coordinated with comprehensive plans; regulating reports, budgets, personnel, and planning of metropolitan government bodies; amending Minnesota Statutes 1992, sections 462.357, subdivision 2; 473.122; 473.1623, subdivisions 3, 5, and 6; 473.163, subdivision 2; 473.175, subdivision 1; 473.181, subdivision 5; 473.38, subdivision 1; 473.661, by adding a subdivision; 473.858, subdivision 1; and 473.865, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 473.1623, subdivision 4; and 473.621, subdivisions 6 and 7.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Langseth, Samuelson and Sams introduced—

S.F. No. 22: A bill for an act relating to family services; making illegal aliens ineligible for general assistance medical care, general assistance, and work readiness; amending Minnesota Statutes 1992, sections 256D.03, subdivision 3; 256D.05, by adding a subdivision; and 256D.051, by adding a subdivision.

Referred to the Committee on Family Services.

Messrs. Murphy, Vickerman, Ms. Johnston, Messrs. Pogemiller and Bertram introduced—

S.F. No. 23: A bill for an act relating to education; providing for a tuition free technical college program for certain Persian Gulf war era veterans; amending Minnesota Statutes 1992, section 136C.13, subdivision 4.

Referred to the Committee on Veterans and General Legislation.

Mr. Marty, Ms. Piper and Mr. Betzold introduced—

S.F. No. 24: A bill for an act relating to ethics in government; providing that an advisory opinion of the ethical practices board is a defense in a criminal proceeding and is binding on the board in enforcement proceedings; creating a code of ethical conduct for local officials and public officials and employees; providing for enforcement of the code of conduct by the ethical practices board; amending Minnesota Statutes 1992, section 10A.02, subdivision 12; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1992, section 10A.02, subdivisions 11 and 11a.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Marty, Hottinger, Mses. Piper and Flynn introduced—

S.F. No. 25: A bill for an act relating to campaign reform; counting certain constituent services as a campaign expenditure; banning lobbyist contributions before a legislative session; banning caucus fundraisers before or during a legislative session; prohibiting earmarked contributions; requiring reporting of contributions of \$50 or more; requiring prompt notice of independent expenditures; reducing campaign contribution and spending limits, except

when needed to counter independent expenditures; limiting bundled contributions; replacing the income tax checkoff for election campaigns of individual candidates with a public subsidy from the general fund; requiring candidates who receive a public subsidy to agree to public debates; prohibiting candidates who receive a public subsidy from accepting contributions from lobbyists, political committees, or political funds; requiring certain candidates to return their public subsidy; prohibiting conversion of campaign funds to personal use; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10c and 13; 10A.065, subdivisions 1 and 5; 10A.15, subdivision 1; 10A.16; 10A.17, subdivision 5; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.24, subdivision 1; 10A.242, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding a subdivision; 10A.27, subdivision 1; 10A.315; 10A.321, subdivision 2; 10A.322, subdivision 1, and by adding subdivisions; 10A.323; 10A.324, subdivisions 1 and 4; and 211B.12; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1992, sections 10A.065, subdivision 5; 10A.255, subdivision 2; 10A.30; 10A.31; 10A.321, subdivision 1; 10A.322, subdivision 3; 10A.325; and 10A.335.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Langseth introduced—

S.F. No. 26: A bill for an act relating to transportation; authorizing the issuance of state transportation bonds; appropriating the proceeds for grants to political subdivisions for bridge construction and reconstruction.

Referred to the Committee on Transportation and Public Transit.

Mr. Laidig introduced—

S.F. No. 27: A bill for an act relating to taxation; transient lodging; allowing the city of Stillwater to exempt certain property.

Referred to the Committee on Taxes and Tax Laws.

Mr. Hottinger introduced—

S.F. No. 28: A bill for an act relating to insurance; establishing and regulating the life and health guaranty association; providing for its powers and duties; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 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.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Beckman, Pogemiller, Ms. Krentz, Olson and Mr. Johnson, D.J. introduced—

S.F. No. 29: A bill for an act relating to education; establishing a youth apprenticeship program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Mr. Lessard introduced—

S.F. No. 30: A bill for an act relating to economic development; requiring the commissioner of trade and economic development to designate Koochiching county as an enterprise zone.

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

Mr. Cohen, Ms. Wiener, Mr. Betzold, Ms. Anderson and Mr. Mondale introduced—

S.F. No. 31: A bill for an act relating to health; codifying case law regarding abortion; amending Minnesota Statutes 1992, section 609.269; proposing coding for new law in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 1992, section 145.412.

Referred to the Committee on Health Care.

Messrs. Hottinger, Marty and Johnson, D.E. introduced—

S.F. No. 32: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

Referred to the Committee on Family Services.

Mr. Pogemiller and Ms. Piper introduced—

S.F. No. 33: A bill for an act relating to crime prevention; providing that the home address of a driver's license or motor vehicle registration applicant is private data; clarifying and expanding the scope of harassment and stalking crimes; increasing to a gross misdemeanor the penalty for harassment and stalking; increasing to a felony the penalty for subsequent offenses; increasing to a gross misdemeanor the penalty for subsequent violations of orders for protection issued because of harassment; requiring training for judges and peace officers concerning harassment and stalking; amending Minnesota Statutes 1992, sections 13.69, by adding a subdivision; 480.30; 609.605; 609.748, subdivisions 6 and 8; 611A.0311; 626.8451, subdivision 1a; 629.342; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, sections 168.346; 171.12, subdivision 7; 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2.

Referred to the Committee on Crime Prevention.

### MEMBERS EXCUSED

Ms. Berglin, Messrs. Hottinger; Moe, R.D. and Pogemiller were excused from the Session of today.

### ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 6:00 p.m., Thursday, January 14, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## FIFTH DAY

St. Paul, Minnesota, Thursday, January 14, 1993

The Senate met at 6:00 p.m. and was called to order by the President.

### CALL OF THE SENATE

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

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

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

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

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 Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 3: A Senate concurrent resolution relating to adjournment for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned January 11, 1993



Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted: H.F. No. 22.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 11, 1993

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 22: A bill for an act relating to insurance; Medicare supplement; permitting phased-in compliance with community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1.

Mr. Moe, R.D. moved that H.F. No. 22 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Mr. Bertram moved that the name of Mr. Metzen be added as a co-author to S.F. No. 4. The motion prevailed.

Mr. Langseth moved that the name of Mr. Sams be added as a co-author to S.F. No. 26. The motion prevailed.

Mr. Hottinger moved that the name of Ms. Piper be added as a co-author to S.F. No. 32. The motion prevailed.

Mr. Pogemiller moved that the names of Mr. Spear and Ms. Ranum be added as co-authors to S.F. No. 33. The motion prevailed.

Mr. Finn, Ms. Berglin, Mr. Moe, R.D.; Ms. Pappas and Mr. Pogemiller introduced—

Senate Resolution No. 14: A Senate resolution commemorating the life and work of Dr. Martin Luther King, Jr.

WHEREAS, the anniversary of the birth of Dr. Martin Luther King is January 15; and

WHEREAS, his life was devoted to the elimination of segregation and prejudice against his people; and

WHEREAS, achievements in human and civil rights were accomplished through his personal efforts; and

WHEREAS, he sought to fulfill his goals exclusively by nonviolent means; and

WHEREAS, his life was ended by assassination; and

WHEREAS, the actions and efforts of Dr. Martin Luther King, Jr. have served as an inspiration; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it commemorates the life and work of Dr. Martin Luther King, Jr.

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 Chair of the Senate Rules and Administration Committee, and present it to representatives of an appropriate group organizing public commemorations of the birth of Dr. Martin Luther King, Jr.

Mr. Finn moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Moe, R.D. moved that H.F. No. 22 be taken from the table. 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 H.F. No. 22 and that the rules of the Senate be so far suspended as to give H.F. No. 22 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 22: A bill for an act relating to insurance; Medicare supplement; permitting phased-in compliance with community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1.

H.F. No. 22 was read the second time.

Mr. Larson moved to amend H.F. No. 22 as follows:

Page 8, strike lines 28 to 36

Page 9, lines 1 to 36, strike the old language and delete the new language

Page 10, delete lines 1 to 21

Page 10, line 22, strike "(s)" and insert "(r)"

### CALL OF THE SENATE

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

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

The roll was called, and there were yeas 12 and nays 53, as follows:

Those who voted in the affirmative were:

Berg	Dille	Larson	Merriam	Pariseau
Chmielewski	Johnston	McGowan	Olson	Samuelson
Day	Laidig			

Those who voted in the negative were:

Adkins	Flynn	Kroening	Neville	Runbeck
Anderson	Hanson	Langseth	Novak	Sams
Beckman	Hottinger	Lesewski	Oliver	Solon
Belanger	Janezich	Lessard	Pappas	Spear
Benson, D.D.	Johnson, D.E.	Luther	Piper	Stevens
Benson, J.E.	Johnson, D.J.	Marty	Pogemiller	Stumpf
Bertram	Johnson, J.B.	Metzen	Price	Terwilliger
Betzold	Kelly	Moe, R.D.	Ranum	Vickerman
Chandler	Kiscaden	Mondale	Reichgott	Wiener
Cohen	Knutson	Morse	Riveness	
Finn	Krentz	Murphy	Robertson	

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

H.F. No. 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 62 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Berg and Larson voted in the negative.

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Benson, D.D. moved that S.F. No. 2, No. 1 on General Orders, be stricken and laid on the table. 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. Price introduced—

S.F. No. 34: A bill for an act relating to children; requiring background checks on foreign exchange host families; amending Minnesota Statutes 1992, section 245A.03, subdivision 2.

Referred to the Committee on Family Services.

Mr. Chmielewski introduced—

S.F. No. 35: A bill for an act relating to motor vehicles; exempting certain manufacturers of snowmobile trailers from being required to have a dealer's license to transport the trailers; amending Minnesota Statutes 1992, section 168.27, subdivision 22.

Referred to the Committee on Transportation and Public Transit.

Mr. Pogemiller introduced—

S.F. No. 36: A bill for an act relating to crime; clarifying and expanding the scope of harassment and stalking crimes; requiring that convicted harassers be assessed as to their need for mental health treatment; improving the enforcement mechanism for civil harassment restraining orders; clarifying the application of enhanced penalties for repeat domestic assaults; amending Minnesota Statutes 1992, sections 609.224, subdivision 2; 609.605, subdivision 1; 609.748, subdivision 6; 609.79, subdivision 1; and 609.795,

subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Johnson, D.J. introduced—

S.F. No. 37: A bill for an act relating to taxation; income; allowing federal annuitants to designate state income tax withholding; amending Minnesota Statutes 1992, section 289A.09, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

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

S.F. No. 38: A bill for an act relating to the legislature; providing for the designation of successor legislative committees; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

S.F. No. 39: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, section 168.125, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Ms. Reichgott, Mr. Finn, Ms. Krentz, Kiscaden and Mr. Spear introduced—

S.F. No. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; proposing coding for new law as Minnesota Statutes, chapter 145C.

Referred to the Committee on Judiciary.

Messrs. Mondale; Moe, R.D.; Ms. Wiener, Messrs. Solon and Belanger introduced—

S.F. No. 41: A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 6a, 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

Referred to the Committee on Transportation and Public Transit.

Messrs. Berg and Benson, D.D. introduced—

S.F. No. 42: A bill for an act relating to finance; repealing authorization for the commissioner of finance to issue obligations to finance construction of

aircraft maintenance and repair facilities; repealing Minnesota Statutes 1992, sections 116R.01; 116R.02; 116R.03; 116R.04; 116R.05; 116R.06; 116R.07; 116R.08; 116R.09; 116R.10; 116R.11; 116R.12; 116R.13; 116R.14; 116R.15; and 116R.16.

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

Messrs. Knutson, Kelly, Mses. Kiscaden and Krentz introduced—

S.F. No. 43: A bill for an act relating to insurance; no-fault auto; regulating the elimination or reduction of wage loss reimbursement coverage; amending Minnesota Statutes 1992, section 65B.491.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Berglin and Piper introduced—

S.F. No. 44: A bill for an act relating to trusts; making certain trust provisions related to public assistance eligibility unenforceable as against public policy; clarifying availability of trusts in determining eligibility for medical assistance and other benefit programs; defining supplemental needs trusts; clarifying enforceability of supplemental needs trusts; amending Minnesota Statutes 1992, section 501B.89.

Referred to the Committee on Health Care.

Ms. Krentz, Messrs. Beckman, Morse, Terwilliger and Ms. Wiener introduced—

S.F. No. 45: A bill for an act relating to education; giving school boards discretion to begin the school year before or after Labor Day; repealing Minnesota Statutes 1992, section 126.12, subdivision 1.

Referred to the Committee on Education.

Messrs. Berg, Lessard, Merriam, Frederickson and Dille introduced—

S.F. No. 46: A bill for an act relating to the environment and natural resources; excluding red deer and elk from the definition of ecologically harmful exotic species; amending Minnesota Statutes 1992, section 84.967.

Referred to the Committee on Environment and Natural Resources.

Ms. Lesewski introduced—

S.F. No. 47: A bill for an act relating to education; directing the Lincoln county auditor to certify certain 1993 levies for the Verdi school district.

Referred to the Committee on Education.

### RECESS

Mr. Moe, R.D. moved that the Senate recess until immediately after the conclusion of the Joint Convention. The motion prevailed.

The Senate reconvened at the appropriate time.

**MEMBERS EXCUSED**

Ms. Berglin and Mr. Frederickson were excused from the Session of today.

**ADJOURNMENT**

Mr. Price moved that the Senate do now adjourn until 12:00 noon, Tuesday, January 19, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTH DAY

St. Paul, Minnesota, Tuesday, January 19, 1993

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. David L. Valen.

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	Finn	Knutson	Morse	Robertson
Beckman	Flynn	Krentz	Murphy	Runbeck
Belanger	Frederickson	Kroening	Neuville	Sams
Benson, J.E.	Hanson	Laidig	Novak	Samuelson
Berg	Hottinger	Langseth	Oliver	Spear
Bertram	Janezich	Larson	Olson	Stevens
Betzold	Johnson, D.E.	Lesewski	Pappas	Stumpf
Chandler	Johnson, D.J.	Marty	Pariseau	Terwilliger
Chmielewski	Johnson, J.B.	McGowan	Piper	Vickerman
Cohen	Johnston	Merriam	Pogemiller	Wiener
Day	Kelly	Moe, R.D.	Price	
Dille	Kiscaden	Mondale	Ranum	

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.

June 8, 1990

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

The following appointment to the Harmful Substance Compensation Board is

hereby respectfully submitted to the Senate for confirmation as required by law:

Peter Westerhaus, 3758 Greensboro Dr., Eagan, Dakota County, has been appointed by me, effective May 30, 1990, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Judiciary.)

Sincerely yours,  
Rudy Perpich, Governor

January 10, 1991

The Honorable Jerome M. Hughes  
President of the Senate

Dear Senator Hughes:

The following appointment for Executive Director of the Public Employees Retirement Association is respectfully submitted to the Minnesota Senate for confirmation as required by law:

Laurie Fiori Hacking, 682 Summit Avenue, St. Paul, Minnesota 55105, has been appointed by the Board of Trustees of the Public Employees Retirement Association as Executive Director effective January 28, 1991.

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

Sincerely,  
George A. Cicmil, President  
Board of Trustees

April 8, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA WORLD TRADE CENTER CORPORATION  
BOARD OF DIRECTORS

Wallace F. Gustafson, 14099 Skyline Dr., Spicer, Kandiyohi County, has been appointed by me, effective April 7, 1991, for a term expiring on the first Monday in January, 1994.

(Referred to the Committee on Jobs, Energy and Community Development.) Mr. Bertram questioned the reference thereon and, under Rule 54, the bill was referred to the Committee on Rules and Administration.



April 10, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**STATE BOARD OF EDUCATION**

John Plocker, Rt. 3, Blue Earth, Faribault County, has been appointed by me, effective April 7, 1991, for a term expiring on the first Monday in January, 1995.

Thomas Peacock, 1507 Lockling Rd., Cloquet, Carlton County, has been appointed by me, effective April 7, 1991, for a term expiring on the first Monday in January, 1995.

Kathleen L. Muellerleile, 719 Harriet Ave., Owatonna, Steele County, has been appointed by me, effective May 1, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Education.)

April 29, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**BOARD ON JUDICIAL STANDARDS**

Peter Hustad Watson, 1925 Fox St., Wayzata, Hennepin County, has been appointed by me, effective April 30, 1991, for a term expiring on the first Monday in January, 1995.

Harriette Burkhalter, 5 W. St. Albans Rd., Hopkins, Hennepin County, has been appointed by me, effective April 30, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Judiciary.)

May 13, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY**

Fred Hsiao, 6632 Limerick Dr., Edina, Hennepin County, has been appointed by me, effective May 15, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Education.)

July 10, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**MINNESOTA POLLUTION CONTROL AGENCY**

Edward A. Garvey, 33 Summit Ct., St. Paul, Ramsey County, has been appointed by me, effective June 30, 1991, for a term expiring on the first Monday in January, 1995.

Sandra J. Holm, HC 87, Box 5460, Merrifield, Crow Wing County, has been appointed by me, effective June 30, 1991, for a term expiring on the first Monday in January, 1995.

Russell B. Kirby, Jr., 13270 - 4th St. N., Stillwater, Washington County, has been appointed by me, effective June 30, 1991, for a term expiring on the first Monday in January, 1995.

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

July 13, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**HARMFUL SUBSTANCE COMPENSATION BOARD**

Beth A. Baker, 13297 Cardinal Creek Rd., Eden Prairie, Hennepin County, has been appointed by me, effective June 29, 1991, for a term expiring on the first Monday in January, 1997.

Mara R. Thompson, 3520 W. 32nd St., Minneapolis, Hennepin County, has been appointed by me, effective June 29, 1991, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Judiciary.)

July 16, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**CHAIR, BOARD OF WATER AND SOIL RESOURCES**

D. James Nielsen, 1815 Meadowwoods Trl., Long Lake, Hennepin County, has been appointed by me, effective June 28, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Environment and Natural Resources.) Mr. Bertram questioned the reference thereon and, under Rule 54, the bill was referred to the Committee on Rules and Administration.

July 16, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

**BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION**

Manuel Capiz, Jr., 6825 Cloman Ave. E., Inver Grove Heights, Dakota County, has been appointed by me, effective June 29, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Education.)

September 19, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### MINNESOTA RURAL FINANCE AUTHORITY

Christopher J. Skaalen, 235 W. Center St., Harmony, Fillmore County, has been appointed by me, effective September 23, 1991, for a term expiring on the first Monday in January, 1993.

Marlene H. Malstrom, S. Melissa Dr., Rt. 5, Box 344, Detroit Lakes, Becker County, has been appointed by me, effective September 23, 1991, for a term expiring on the first Monday in January, 1994.

Curtis J. Pietz, R.R. 3, Box 79, Lakefield, Jackson County, has been appointed by me, effective September 23, 1991, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Agriculture and Rural Development.)

November 5, 1991

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### MINNESOTA ENVIRONMENTAL QUALITY BOARD

Bruce Bomier, 3430 Rum River Dr., Anoka, Anoka County, has been appointed by me, effective November 11, 1991, for a term expiring on the first Monday in January, 1994.

(Referred to the Committee on Environment and Natural Resources.) Mr. Bertram questioned the reference thereon and, under Rule 54, the bill was referred to the Committee on Rules and Administration.

February 7, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA RURAL FINANCE AUTHORITY

Vivian Evans, Rt. 3, Box 9, Montevideo, Chippewa County, has been appointed by me, effective February 13, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Agriculture and Rural Development.)

February 19, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA WORLD TRADE CENTER CORPORATION  
BOARD OF DIRECTORS

Paul J. Gam, 1672 Chatham Ave., Arden Hills, Ramsey County, has been appointed by me, effective February 24, 1992, for a term expiring on the first Monday in January, 1998.

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

February 20, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA POLLUTION CONTROL AGENCY

William A. Urseth, 2028 Kenwood Pky., Minneapolis, Hennepin County, has been appointed by me, effective February 25, 1992, for a term expiring on the first Monday in January, 1996.

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

March 20, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

## MINNESOTA POLLUTION CONTROL AGENCY

Keith H. Langmo, 105 E. Depot St., Litchfield, Meeker County, has been appointed by me, effective March 24, 1992, for a term expiring on the first Monday in January, 1996.

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

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## COMMISSIONER OF PUBLIC SAFETY

Michael S. Jordan, 6631 - 135th St. W., Apple Valley, Dakota County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Crime Prevention.)

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## COMMISSIONER OF REVENUE

Morris J. Anderson, 7398 Kochia Ln., Victoria, Carver County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Taxes and Tax Laws.)

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## TAX COURT

Dorothy McClung, 4370 N. Snelling Ave., Arden Hills, Ramsey County, has been appointed by me, effective January 2, 1993, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Taxes and Tax Laws.)

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## CHAIR, METROPOLITAN COUNCIL

Dottie M. Rietow, 1317 Kilmer Ave. S., St. Louis Park, Hennepin County, has been appointed by me, effective November 18, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Metropolitan and Local Government.)

January 4, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## MINNESOTA HOUSING FINANCE AGENCY

Peter G. Bernier, HC 2, Box 183, Squaw Lake, Itasca County, has been appointed by me, effective January 9, 1993, for a term expiring on the first Monday in January, 1997.

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

Warmest regards,  
Arne H. Carlson, Governor

## MOTIONS AND RESOLUTIONS

Mr. Vickerman moved that the name of Mr. Samuelson be added as a co-author to S.F. No. 13. The motion prevailed.

Mr. Langseth moved that the name of Mr. Finn be added as a co-author to S.F. No. 22. The motion prevailed.

Mr. Pogemiller moved that the names of Messrs. Cohen, Metzen, Solon and Ms. Pappas be added as co-authors to S.F. No. 36. The motion prevailed.

Mr. Bertram moved that the name of Mr. Solon be added as a co-author to S.F. No. 39. The motion prevailed.

Mr. Novak introduced—

Senate Resolution No. 15: A Senate resolution commending Andrew Otto for his many years of dedicated service to the teaching profession.

Referred to the Committee on Rules and Administration.

### INTRODUCTION AND FIRST READING OF SENATE BILLS.

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

Messrs. Betzold, Knutson and Finn introduced—

S.F. No. 48: A bill for an act relating to real property; providing for recordation of mortgage satisfaction or release following change in identity of corporate mortgagee or assignee; providing procedures for interested person to file for record a request for notice of mortgage foreclosure; allowing postponement of foreclosure sale by party conducting the foreclosure; providing that certain forfeitures of real property are subject to interests of good faith purchasers; amending Minnesota Statutes 1992, sections 507.411; 580.032, subdivision 1; 580.07; and 609.5311, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Merriam introduced—

S.F. No. 49: A bill for an act proposing an amendment to the Minnesota Constitution; providing for a unicameral legislature; changing article IV; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by statute for a unicameral legislature to consist of 135 members; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Vickerman, Ms. Hanson, Messrs. Chmielewski, Dille and Finn introduced—

S.F. No. 50: A bill for an act relating to traffic regulations; authorizing operation of recreational vehicle combinations with certain restrictions; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; and 169.81, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Mr. Langseth introduced—

S.F. No. 51: A bill for an act relating to transportation; amending the definition of highway and defining highway purpose; increasing municipal



state-aid system mileage; revising the basis for determining population; changing composition of municipal screening board; creating Minnesota mobility trust fund and surface transportation fund; increasing gasoline tax rate and requiring annual rate adjustment; appropriating money; amending Minnesota Statutes 1992, sections 160.02, subdivision 7, and by adding a subdivision; 162.09, subdivisions 1 and 4; 162.13, subdivision 3; 174.32, subdivision 2; and 296.02, subdivision 1b, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 161 and 174; repealing Minnesota Statutes 1992, section 161.041.

Referred to the Committee on Transportation and Public Transit.

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

S.F. No. 52: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy.

Referred to the Committee on Education.

Messrs. Price, Marty, Luther, Ms. Ranum and Mr. Novak introduced—

S.F. No. 53: A bill for an act relating to labor; regulating employment of children; establishing a child labor curfew; providing penalties; amending Minnesota Statutes 1992, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

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

Ms. Johnson, J.B.; Mr. Merriam, Ms. Anderson, Messrs. Kroening and Novak introduced—

S.F. No. 54: A bill for an act relating to housing; providing for an emergency mortgage and rental assistance program administered by the housing finance agency; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Messrs. Beckman and Vickerman introduced—

S.F. No. 55: A bill for an act relating to state and local fiscal relations; changing the property tax classification rates for certain agricultural property; modifying the sales ratio; creating a capital bonding program for school building accessibility projects; modifying the capital expenditure disabled access and health and safety levy; appropriating money; amending Minnesota Statutes 1992, sections 124.2131, subdivision 1; 124.243, subdivision 1; 124.83, subdivision 4, and by adding a subdivision; 124.84, subdivisions 1 and 3; 270.12, by adding a subdivision; 273.11, by adding a subdivision; 273.13, subdivision 23; and 273.1398, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124C.

Referred to the Committee on Education.

#### MEMBERS EXCUSED

Mses. Berglin, Reichgott, Messrs. Luther, Metzen and Solon were excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, January 21, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTH DAY

St. Paul, Minnesota, Thursday, January 21, 1993

The Senate met at 9:30 a.m. and was called to order by the President.

## CALL OF THE SENATE

Ms. Flynn 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. Audrey Knutson.

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

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

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.

January 14, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

### WORKERS' COMPENSATION COURT OF APPEALS

Thomas Johnson, 1510 Red Cedar Rd., Eagan, Dakota County, has been appointed by me, effective May 26, 1992, for a term expiring on the first Monday in January, 1995.

Rosalia Olsen, 3307 Decatur Ln., St. Louis Park, Hennepin County, has been appointed by me, effective May 26, 1992, for a term expiring on the first Monday in January, 1998.

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

Warmest regards,  
Arne H. Carlson, Governor

### REPORTS OF COMMITTEES

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

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 47: A bill for an act relating to education; directing the Lincoln county auditor to certify certain 1993 levies for the Verdi school district.

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

Delete everything after the enacting clause and insert:

“Section 1. [COUNTY CERTIFICATION OF CERTAIN 1993 SCHOOL DISTRICT LEVIES.]

*The school boards of independent school district No. 404, Lake Benton, and independent school district No. 583, Pipestone, may adopt a resolution requesting the Lincoln county auditor to certify the levies listed in this section for taxes payable in 1993. The resolutions must be certified to the auditor by February 1, 1993.*

*Notwithstanding any other law to the contrary, upon receipt of resolutions from independent school district No. 404, Lake Benton, and independent school district No. 583, Pipestone, the Lincoln county auditor shall certify the following amounts for the 1992 taxes payable in 1993 levies for school district No. 408, Verdi:*

*(1) \$123,479 for general education under Minnesota Statutes, section 124A.23, subdivision 2;*

*(2) \$8,567 for basic transportation under Minnesota Statutes, section 124.226, subdivision 1; and*

*(3) \$2,550 for capital expenditure equipment under Minnesota Statutes, section 124.244, subdivision 2.*

*Homestead and agricultural credit aid to be certified to and paid by the commissioner of education for taxes payable in 1993 and homestead and agricultural credit aid to be certified to the county auditor for taxes payable*

*in 1994 in accordance with Minnesota Statutes, section 273.1398, subdivision 6, for independent school district No. 408, Verdi, shall be apportioned between independent school district No. 404, Lake Benton, and independent school district No. 583, Pipestone, based upon the ratio of the payable 1993 net tax capacity of the portion of independent school district No. 408, Verdi, contained in the school district after July 1, 1993, to the total payable 1993 net tax capacity of independent school district No. 408, Verdi.*

*For those unique taxing jurisdictions where disparity reduction aid is certified in accordance with Minnesota Statutes, section 273.1398, subdivision 6, and which are located within the former boundaries of independent school district No. 408, Verdi, the disparity reduction aid certified to and paid by the commissioner of education for taxes payable in 1993 and the disparity reduction aid certified to the county auditor for taxes payable in 1994 that would have been certified for independent school district No. 408, Verdi, shall be certified for the school district now located within that unique taxing jurisdiction.*

#### Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment and does not require further local approval under Minnesota Statutes, section 645.021."*

Delete the title and insert:

"A bill for an act relating to education; authorizing the Lake Benton and Pipestone school districts to direct the Lincoln county auditor to certify certain 1993 levies for the Verdi school district."

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 12: A resolution expressing the legislature's opposition to federal legislation requiring suspension of licenses for individuals convicted of violations of the federal Controlled Substances Act.

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

### SECOND READING OF SENATE BILLS

S.F. Nos. 47 and 12 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Pogemiller moved that his name be stricken as a co-author to S.F. No. 23. The motion prevailed.

Mr. Murphy moved that the name of Mr. Metzen be added as a co-author to S.F. No. 23. The motion prevailed.

Mr. Price moved that the name of Mr. Stevens be added as a co-author to S.F. No. 34. The motion prevailed.

Ms. Berglin moved that the name of Mr. Finn be added as a co-author to S.F. No. 44. The motion prevailed.

Mr. Merriam moved that the name of Mr. Larson be added as a co-author to S.F. No. 49. The motion prevailed.

Mr. Beckman moved that the names of Messrs. Sams and Morse be added as co-authors to S.F. No. 55. The motion prevailed.

Mr. Terwilliger introduced—

Senate Resolution No. 16: A Senate resolution congratulating the Edina High School Girls Swimming and Diving Team for winning the State Championship.

Referred to the Committee on Rules and Administration.

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

Senate Resolution No. 17: 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:

The miles traveled by members of the Senate for the 78th Legislature in each round trip going to and returning from the Capitol to their places of residence are as follows:

MEMBER	MILEAGE
ADKINS, Betty A. ....	100
ANDERSON, Ellen R. ....	0
BECKMAN, Tracy L. ....	260
BELANGER, William V., Jr. ....	46
BENSON, Duane D. ....	240
BENSON, Joanne E. ....	143
BERG, Charles A. ....	370
BERGLIN, Linda ....	19
BERTRAM, Joe, Sr. ....	210
BETZOLD, Don ....	30
CHANDLER, Kevin M. ....	30
CHMIELEWSKI, Florian. ....	210
COHEN, Richard J. ....	0
DAY, Dick ....	140
DILLE, Steve. ....	150
FINN, Harold R. "Skip" ....	440
FLYNN, Carol ....	22
FREDERICKSON, Dennis R. ....	210
HANSON, Paula E. ....	50
HOTTINGER, John C. ....	194
JANEZICH, Jerry R. ....	396
JOHNSON, Dean E. ....	212
JOHNSON, Douglas J. ....	440
JOHNSON, Janet B. ....	100
JOHNSTON, Terry D. ....	54
KELLY, Randy C. ....	12
KISCADEN, Sheila M. ....	160
KNUTSON, David L. ....	38
KRENTZ, Jane ....	54
KROENING, Carl W. ....	30

L Aidig, Gary W.	44
Langseth, Keith	472
Larson, Cal	392
Lesewski, Arlene J.	336
Lessard, Bob	625
Luther, William P.	44
Marty, John	25
McGowan, Patrick D.	50
Merriam, Gene	42
Metzen, James P.	18
Moe, Roger D.	522
Mondale, Ted A.	25
Morse, Steven	244
Murphy, Steve L.	102
Neuville, Thomas M.	90
Novak, Steven G.	30
Oliver, Edward C.	54
Olson, Gen	70
Pappas, Sandra L.	0
Pariseau, Pat.	63
Piper, Pat	200
Pogemiller, Lawrence J.	12
Price, Leonard R.	14
Ranum, Jane B.	24
Reichgott, Ember D.	42
Riveness, Phil J.	24
Robertson, Martha R.	40
Runbeck, Linda	20
Sams, Dallas C.	(air 264) 300
Samuelson, Don	270
Solon, Sam G.	310
Spear, Allan H.	22
Stevens, Dan	156
Stumpf, LeRoy A.	(air 550) 622
Terwilliger, Roy	42
Vickerman, Jim	336
Wiener, Deanna	25

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

The question was taken on the adoption of the resolution.

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

Those who voted in the affirmative were:

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

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. Kelly, Merriam and Spear introduced—

S.F. No. 56: A bill for an act relating to crime; clarifying certain law enforcement powers; providing for administrative forfeiture of firearms; creating a permissive inference of possession with respect to a firearm in an automobile; making technical corrections to the eligibility criteria and transfer process applicable to permits to possess a pistol; amending Minnesota Statutes 1992, sections 169.98, subdivision 1a; 299D.06; 609.5314, subdivision 1; 624.713, subdivision 1; 624.7131, subdivision 10; and 624.7132, subdivisions 4 and 8; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Marty and Mrs. Adkins introduced—

S.F. No. 57: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1992, sections 363.06, subdivision 3; and 363.116.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 58: A bill for an act relating to local governments; permitting local governments to require the payment of legal fees incurred by peace officers who are the subject of investigation by a civilian review authority; amending Minnesota Statutes 1992, section 471.44.

Referred to the Committee on Crime Prevention.

Ms. Olson introduced—

S.F. No. 59: A bill for an act relating to state government; extending expiration date of governor's residence council; amending Minnesota Statutes 1992, section 16B.27, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Chandler, Pogemiller, Morse, Hottinger and Sams introduced—

S.F. No. 60: A bill for an act relating to state employees; directing the commissioner of administration to establish a program to encourage employees to suggest ways to save money in the operation of state government; appropriating money; amending Minnesota Statutes 1992, section 16B.39, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Mrs. Benson, J.E.; Ms. Olson and Mr. Larson introduced—



S.F. No. 61: A bill for an act relating to education; providing that school districts need not comply with mandates unless revenue to comply is identified; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Mr. Larson, Ms. Johnston and Mr. Neuville introduced—

S.F. No. 62: A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature; changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Samuelson introduced—

S.F. No. 63: A bill for an act relating to state contracts; requiring bidders on state construction contracts to submit lists of subcontractors and prohibiting subcontracts with persons not listed; providing penalties; amending Minnesota Statutes 1992, section 16B.07, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Mr. Samuelson introduced—

S.F. No. 64: A bill for an act relating to game and fish; seasons for taking deer by muzzle-loading firearms; amending Minnesota Statutes 1992, section 97B.311.

Referred to the Committee on Environment and Natural Resources.

Messrs: Novak, Beckman, Kelly, Merriam and McGowan introduced—

S.F. No. 65: A bill for an act relating to public safety; requiring mandatory notification of the state fire marshal in fires involving death; requiring autopsies on arson victims; extending the power to subpoena witnesses to arson investigation units in cities of the first class; deleting the intent element for the crimes of possession of explosives, incendiary devices, and molotov cocktails; defining fire as a dangerous weapon under the criminal code; lowering the felony damage threshold for arson in the second and third degree and negligent fires; creating a felony for tampering with fire alarms when potential for bodily harm exists; allowing prosecutors to charge "arson for profit" rings under RICO statute; granting peace officer status to deputy state fire marshals; extending the statute of limitations for arson to five years; amending Minnesota Statutes 1992, sections 299F.04, by adding a subdivision; 299F.06; 299F.811; 299F.815, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 609.02, subdivision 6; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.686; 609.902, subdivision 4; 626.84, subdivision 1; and 628.26.

Referred to the Committee on Crime Prevention.

Messrs. Mondale, Pogemiller, Mses. Ranum, Reichgott and Mr. McGowan introduced—

S.F. No. 66: A bill for an act relating to education; replacing the levy funding program with a grant program for the early childhood family education home visiting program; requiring ongoing training; appropriating money; amending Minnesota Statutes 1992, section 121.882, subdivision 2b; and Laws 1992, chapter 571, article 10, section 29.

Referred to the Committee on Education.

Ms. Ranum, Messrs. Beckman, McGowan and Spear introduced—

S.F. No. 67: A bill for an act relating to crime; clarifying the application of the tolling provision in the law governing criminal statutes of limitations; amending Minnesota Statutes 1992, section 628.26.

Referred to the Committee on Crime Prevention.

Ms. Runbeck, Mr. Frederickson, Ms. Kiscaden and Mr. Terwilliger introduced—

S.F. No. 68: A bill for an act relating to workers' compensation; defining "suitable job"; modifying permanent total disability benefits; eliminating supplementary benefits in certain circumstances; abolishing the workers' compensation court of appeals; amending Minnesota Statutes 1992, sections 176.101, subdivisions 3e, 4, and 5; 176.66, subdivision 11; 480A.06, subdivisions 3 and 4; repealing Minnesota Statutes 1992, sections 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; and 176.132, subdivisions 1 and 2.

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

Messrs. Metzen; Kelly; Kroening; Johnson, D.J. and Solon introduced—

S.F. No. 69: A bill for an act relating to community development; providing for targeted neighborhoods revitalization and financing; appropriating money.

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

Mr. Finn, Ms. Johnson, J.B. and Mr. Murphy introduced—

S.F. No. 70: A bill for an act relating to crime prevention; providing that the home address of a driver's license or motor vehicle registration applicant is private data; clarifying and expanding the scope of harassment and stalking crimes; increasing to a gross misdemeanor the penalty for harassment and stalking; increasing to a felony the penalty for subsequent offenses; increasing to a gross misdemeanor the penalty for subsequent violations of orders for protection issued because of harassment; requiring training for judges and peace officers concerning harassment and stalking; amending Minnesota Statutes 1992, sections 13.69, by adding a subdivision; 480.30; 609.605; 609.748, subdivisions 6 and 8; 611A.0311; 626.8451, subdivision 1a; 629.342; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, sections 168.346; 171.12, subdivision 7; 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Finn and Samuelson introduced—

S.F. No. 71: A bill for an act relating to taxation; exempting sales of homemaking and chore services to local governments from the sales tax; amending Minnesota Statutes 1992, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Mr. Metzen, Ms. Wiener, Mrs. Pariseau, Messrs. Knutson and Murphy introduced—

S.F. No. 72: A bill for an act relating to appropriations; appropriating money for a grant to the city of Inver Grove Heights to investigate criminal activity.

Referred to the Committee on Crime Prevention.

Messrs. Mondale; Johnson, D.J.; Novak; Merriam and Ms. Flynn introduced—

S.F. No. 73: A bill for an act relating to tax increment financing; providing for establishment of tax increment financing districts and environmental treatment areas; providing certain contaminant remediation and development powers; proposing coding for new law in Minnesota Statutes, chapter 469.

Referred to the Committee on Environment and Natural Resources.

Ms. Reichgott, Messrs. Johnson, D.J.; Hottinger and Mondale introduced—

S.F. No. 74: A bill for an act relating to local governments; appropriating money to provide aids and grants for costs of sharing or combining services or functions.

Referred to the Committee on Metropolitan and Local Government.

Ms. Robertson and Mr. McGowan introduced—

S.F. No. 75: A bill for an act relating to crime; providing criminal penalties for a parent, guardian, or caretaker who abandons a child under ten years of age; amending Minnesota Statutes 1992, section 609.38; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mses. Pappas, Krentz, Hanson, Mr. Murphy and Ms. Flynn introduced—

S.F. No. 76: A bill for an act relating to traffic regulations; increasing the fine for child passenger restraint system violations; amending Minnesota Statutes 1992, section 169.685, subdivision 5.

Referred to the Committee on Transportation and Public Transit.

Mr. Samuelson introduced—

S.F. No. 77: A bill for an act relating to retirement; authorizing an increase in lump sum benefits payable by the Brainerd fire department relief association.

Referred to the Committee on Governmental Operations and Reform.

Mr. Hottinger, Ms. Flynn, Messrs. Johnson, D.J.; Mondale and Finn introduced—

S.F. No. 78: A bill for an act relating to local government aids; providing for calculation and distribution of state aids to cities; amending Minnesota Statutes 1992, sections 273.1398, by adding a subdivision; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; and 477A.03, subdivision 1; repealing Minnesota Statutes 1992, sections 477A.011, subdivisions 1b, 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5.

Referred to the Committee on Metropolitan and Local Government.

#### MEMBERS EXCUSED

Ms. Berglin, Messrs. Bertram, Luther, Knutson and Stevens were excused from the Session of today.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, January 25, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTH DAY

St. Paul, Minnesota, Monday, January 25, 1993

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Vern Anderson.

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

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:

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

The Honorable Dee Long  
Speaker of the House

Dear President Spear and Speaker Long:

I respectfully request the opportunity of addressing a Joint Session of the

House and Senate of the 78th Session of the Minnesota Legislature on Tuesday, January 26, 1993, at 7:00 p.m. for the purpose of presenting my Budget address to the Legislature.

Warmest regards,  
Arne H. Carlson, Governor

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to inform the Senate that the House of Representatives invites and is ready to meet with the Senate at 6:45 p.m., Tuesday, January 26, 1993, to receive the budget message of the Honorable Arne H. Carlson, Governor of the State of Minnesota, said message to be delivered at 7:00 p.m., Tuesday, January 26, 1993.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 21, 1993

Mr. Moe, R.D. moved that the Senate accede to the request of the House of Representatives to meet in Joint Convention in the House Chamber at 7:00 p.m., Tuesday, January 26, 1993, to receive the budget message of the Honorable Arne H. Carlson, Governor of the State of Minnesota. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Mr. Johnson, D.J. moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Beckman be shown as chief author to S.F. No. 20. The motion prevailed.

Mr. Finn moved that his name be stricken as a co-author to S.F. No. 22. The motion prevailed.

Mr. Hottinger moved that the names of Messrs. Solon, Samuelson, Larson and Ms. Wiener be added as co-authors to S.F. No. 28. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Marty and Berg be added as co-authors to S.F. No. 49. The motion prevailed.

Mr. Kelly moved that the name of Mr. McGowan be added as a co-author to S.F. No. 56. The motion prevailed.

Mr. Marty moved that the name of Mr. Merriam be added as a co-author to S.F. No. 57. The motion prevailed.

Mrs. Benson, J.E. moved that the name of Ms. Johnston be added as a co-author to S.F. No. 61. The motion prevailed.

Mr. Larson moved that the name of Mr. Merriam be added as a co-author to S.F. No. 62. The motion prevailed.

Mr. Samuelson moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 64. The motion prevailed.

Ms. Runbeck moved that the name of Mr. Larson be added as a co-author to S.F. No. 68. The motion prevailed.

Mr. Finn moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 71. The motion prevailed.

Mr. Moe, R.D. introduced—

Senate Resolution No. 18: A Senate resolution relating to appointment of a committee to escort the Governor to the House Chamber for a Joint Convention.

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

The President of the Senate shall appoint a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Arne H. Carlson, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Tuesday, January 26, 1993, at 7:00 o'clock p.m.

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

### APPOINTMENTS

Pursuant to the foregoing resolution, the President made the following appointments:

Ms. Hanson, Messrs. Hottinger, Laidig, Ms. Lesewski and Mr. Murphy.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Chandler, Hottinger, Janezich and Metzen introduced—

S.F. No. 79: A bill for an act relating to commerce; permitting sales of motor vehicles on Sunday; amending Minnesota Statutes 1992, section 168.27, subdivision 12; repealing Minnesota Statutes 1992, sections 168.274; 168.275; and 168.276.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Vickerman introduced—

S.F. No. 80: A bill for an act relating to education; changing the formula for general education revenue reduction for large fund balances; amending Minnesota Statutes 1992, section 124A.26, subdivision 1.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 81: A bill for an act relating to public lands; authorizing independent school district No. 577 of Willow River to sell certain lands to correct an erroneous boundary assumption.

Referred to the Committee on Environment and Natural Resources.

Messrs. Berg, Bertram and Vickerman introduced—

S.F. No. 82: A bill for an act relating to agriculture; creating family farm limited liability companies and authorized farm limited liability companies; amending Minnesota Statutes 1992, section 500.24, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Metzen, Bertram, Samuelson, Vickerman and Johnson, D.E. introduced—

S.F. No. 83: A bill for an act relating to liquor; proof of age for purchase or consumption; amending Minnesota Statutes 1992, section 340A.503, subdivision 6.

Referred to the Committee on Crime Prevention.

Mr. Chandler, Ms. Runbeck, Messrs. Betzold, Murphy and Knutson introduced—

S.F. No. 84: A bill for an act relating to state government; reducing the size of the legislature; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Chmielewski introduced—

S.F. No. 85: A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing for a unicameral legislature of 102 to 135 representatives.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Janezich introduced—

S.F. No. 86: A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers, firefighters, and surviving spouses in the city of Eveleth.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Johnson, D.J. and Janezich introduced—

S.F. No. 87: A bill for an act relating to education; permitting an operating debt levy for the Babbitt school district.

Referred to the Committee on Education.

Messrs. Samuelson, Sams and Metzen introduced—

S.F. No. 88: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, section 168.125, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Messrs. Spear and Cohen introduced—



S.F. No. 89: A bill for an act relating to family law; modifying provisions for establishment of third-party visitation rights; amending Minnesota Statutes 1992, section 257.022, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Kelly and Chandler introduced—

S.F. No. 90: A bill for an act relating to human services; establishing a property-related rate for a nursing facility relocated from a separate nursing home to a building formerly used as a hospital; appropriating money; amending Minnesota Statutes 1992, section 256B.431, subdivision 13.

Referred to the Committee on Health Care.

Messrs. Sams; Solon; Moe, R.D.; Belanger and Ms. Hanson introduced—

S.F. No. 91: A bill for an act relating to occupations and professions; exempting manufactured home dealers and installers from license requirement; amending Minnesota Statutes 1992, section 326.84, subdivision 3.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Johnson, J.B.; Messrs. Janezich; Pogemiller; Johnson, D.J. and Benson, D.D. introduced—

S.F. No. 92: A bill for an act relating to education; providing grants for community-based program development; appropriating money.

Referred to the Committee on Education.

Ms. Flynn, Messrs. Sams, Hottinger, Ms. Wiener and Mr. Metzgen introduced—

S.F. No. 93: A bill for an act relating to labor relations; regulating public employment labor relations; modifying the definition of a confidential employee; amending Minnesota Statutes 1992, section 179A.03, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Ms. Piper, Messrs. Chandler, Solon, Ms. Kiscaden and Mr. Larson introduced—

S.F. No. 94: A bill for an act relating to occupations and professions; board of medical practice; modifying requirements for licensing United States, Canadian, and foreign medical school graduates; providing for temporary permits; providing for residency permits; adding a requirement for students exempt from penalties for practicing without a license; adding to licensed professionals subject to reporting obligations; indemnifying board members, consultants, and persons employed by the board; amending Minnesota Statutes 1992, sections 62A.46, subdivision 7; 147.02, subdivision 1, and by adding a subdivision; 147.03; 147.037, subdivision 1, and by adding a subdivision; 147.09; 147.111, subdivision 4; 147.121, subdivision 2; and 148.91, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 147.

Referred to the Committee on Health Care.

Messrs. Price and Mondale introduced—

S.F. No. 95: A bill for an act relating to transportation; defining personal transportation service; allowing provision of telephone caller identification service for certain commercial carriers of passengers; amending Minnesota Statutes 1992, section 221.011, subdivision 34; proposing coding for new law in Minnesota Statutes, chapter 237.

Referred to the Committee on Transportation and Public Transit.

Messrs. Riveness; Chandler; Murphy; Benson, D.D. and Hottinger introduced—

S.F. No. 96: A bill for an act relating to the environment; wastewater treatment; clarifying rulemaking provisions for pollution control agency adoption of wastewater treatment standards; changing the composition of the technical advisory committee; amending Minnesota Statutes 1992, sections 115.44, subdivisions 4, 6, and 7; and 115.54.

Referred to the Committee on Environment and Natural Resources.

Messrs. Finn; Pogemiller; Moe, R.D.; Spear and Ms. Ranum introduced—

S.F. No. 97: A bill for an act relating to health; clean indoor air; providing for an exemption from the prohibition on the use of tobacco products in public schools to permit use for religious or cultural purposes; amending Minnesota Statutes 1992, sections 144.4165; and 609.685, by adding a subdivision.

Referred to the Committee on Health Care.

Mr. Janezich, Mrs. Adkins, Mr. Lessard, Mrs. Pariseau and Mr. Frederickson introduced—

S.F. No. 98: A bill for an act relating to towns; eliminating distribution of certain reports relating to town roads and bridges; amending Minnesota Statutes 1992, section 164.03, subdivision 4.

Referred to the Committee on Metropolitan and Local Government.

Mr. Janezich, Mrs. Adkins, Mr. Lessard, Mrs. Pariseau and Mr. Frederickson introduced—

S.F. No. 99: A bill for an act relating to towns; clarifying certain provisions for the terms of town supervisor; providing for the compensation of certain town officers and employees; amending Minnesota Statutes 1992, sections 367.03, subdivision 1; and 367.05, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Mr. Marty, Mses. Anderson, Runbeck and Mr. Beckman introduced—

S.F. No. 100: A bill for an act relating to youth; service learning and work-based learning; establishing a task force on community service; promoting youth service; developing youth community service and work-based learning programs; appropriating money; amending Minnesota Statutes 1992, sections 121.88, subdivision 9; 124.2713, subdivision 5; 124A.29, subdivision 1; 124C.46, subdivision 1; and 126.70, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16B; and 121.

Referred to the Committee on Education.

Mr. Riveness, Ms. Ranum, Mr. Larson, Ms. Johnson, J.B. and Mr. Mondale introduced—

S.F. No. 101: A bill for an act relating to appropriations; appropriating money for a visitor center at Fort Snelling state park.

Referred to the Committee on Environment and Natural Resources.

Messrs. Merriam and Berg introduced—

S.F. No. 102: A bill for an act relating to the state lottery; abolishing the authority of the state lottery board to authorize additional compensation for the director of the state lottery; repealing Minnesota Statutes 1992, section 349A.03, subdivision 3.

Referred to the Committee on Gaming Regulation.

Messrs. Berg, Janezich and Johnson, D.E. introduced—

S.F. No. 103: A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include senior citizen activities under certain circumstances; clarifying and strengthening the regulation of the conduct of bingo; prescribing penalties; amending Minnesota Statutes 1992, sections 349.12, subdivisions 1, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivision 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 6, and 8; 349.191, subdivisions 1 and 4; 349.211, subdivisions 1 and 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2 and 4; and 349.213, subdivision 1.

Referred to the Committee on Gaming Regulation.

Messrs. Berg, Janezich and Johnson, D.E. introduced—

S.F. No. 104: A bill for an act relating to lawful gambling; authorizing the use of pull-tab dispensing devices; amending Minnesota Statutes 1992, sections 349.12, subdivision 18; 349.13; and 349.151, subdivision 4.

Referred to the Committee on Gaming Regulation.

Mr. Spear introduced—

S.F. No. 105: A bill for an act relating to crime; repealing authority of conference of chief judges to establish a schedule of misdemeanors to be treated as petty misdemeanors; repealing Laws 1992, chapter 513, article 4, section 48.

Referred to the Committee on Crime Prevention.

Messrs. Vickerman and Marty introduced—

S.F. No. 106: A bill for an act relating to courts; grandparent visitation; clarifying that visitation may be sought after completion of proceedings for dissolution, custody, legal separation, annulment, or parentage; amending Minnesota Statutes 1992, sections 257.022, subdivision 2; and 518.175, subdivision 7.

Referred to the Committee on Judiciary.

Messrs. Kelly, Belanger and Cohen introduced—

S.F. No. 107: A bill for an act relating to courts; merging conciliation court statutes for all judicial districts into one statute; amending Minnesota Statutes 1992, section 481.02, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 488B; repealing Minnesota Statutes 1992, sections 487.30; 488A.12; 488A.13; 488A.14; 488A.15; 488A.16; 488A.17; 488A.29; 488A.30; 488A.31; 488A.32; 488A.33; and 488A.34.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced—

S.F. No. 108: A bill for an act relating to appropriations; appropriating money for construction on the Superior Vista trail.

Referred to the Committee on Environment and Natural Resources.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 6:30 p.m., Tuesday, January 26, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINTH DAY

St. Paul, Minnesota, Tuesday, January 26, 1993

The Senate met at 6:30 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 Senator Pat Piper.

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

Adkins	Day	Knutson	Mondale	Reichgott
Anderson	Dille	Krentz	Morse	Riveness
Beckman	Finn	Kroening	Murphy	Robertson
Belanger	Frederickson	Laidig	Neuville	Ruinbeck
Benson, D.D.	Hanson	Langseth	Novak	Sams
Benson, J.E.	Hottinger	Larson	Oliver	Samuelson
Berg	Janezich	Lesewski	Olson	Spear
Berglin	Johnson, D.E.	Lessard	Pappas	Stevens
Bertram	Johnson, D.J.	Luther	Pariseau	Terwilliger
Betzold	Johnson, J.B.	Marty	Piper	Vickerman
Chandler	Johnston	McGowan	Pogemiller	Wiener
Chmielewski	Kelly	Merriam	Price	
Cohen	Kiscaden	Moe, R.D.	Ranum	

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.

January 22, 1993

The Honorable Dée Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	22	1	2:47 p.m. January 21	January 21

Sincerely,  
Joan Anderson Growe  
Secretary of State

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has appointed a committee of five members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber, Tuesday, January 26, 1993, said Joint Convention to be convened at 6:45 p.m. and said message of the Governor to be delivered at 7:00 p.m.

Asch, Mosel, Lourey, Kinkel and Seagren have been appointed as members of such committee on the part of the House.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 25, 1993

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. 1: A House concurrent resolution relating to adjournment for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 25, 1993

Mr. Moe, R.D. moved that House Concurrent Resolution No. 1 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. 1 and 11.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted January 25, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1: A bill for an act relating to the legislature; providing for the designation of successor legislative committees; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

H.F. No. 11: A bill for an act relating to education; directing the Lincoln county auditor to certify certain 1993 levies for the Verdi school district.

Mr. Moe, R.D. moved that H.F. No. 11 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Mr. Vickerman moved that the name of Mr. Janezich be added as a co-author to S.F. No. 14. The motion prevailed.

Mr. Langseth moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 22. The motion prevailed.

Mr. Merriam moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 49. The motion prevailed.

Mr. Langseth moved that the name of Mr. Belanger be added as a co-author to S.F. No. 51. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 52. The motion prevailed.

Mr. Samuelson moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 64. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Flynn be added as a co-author to S.F. No. 74. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Merriam be added as a co-author to S.F. No. 85. The motion prevailed.

Mr. Samuelson moved that the name of Mr. Solon be added as a co-author to S.F. No. 88. The motion prevailed.

Mr. Marty moved that the name of Ms. Piper be added as a co-author to S.F. No. 100. The motion prevailed.

Mr. Merriam moved that the names of Messrs. Chandler and Murphy be added as co-authors to S.F. No. 102. The motion prevailed.

Mr. Berg moved that the names of Messrs. Vickerman and McGowan be added as co-authors to S.F. No. 103. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Samuelson be added as a co-author to S.F. No. 106. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Solon be added as a co-author to S.F. No. 108. The motion prevailed.

Mr. Moe, R.D. moved that House Concurrent Resolution No. 1 be taken from the table. The motion prevailed.

House Concurrent Resolution No. 1: A House concurrent resolution relating to adjournment for more than three days.

BE IT RESOLVED by the House of Representatives of the State of Minnesota, the Senate concurring:

1. Upon its adjournment on February 1, 1993, the House of Representatives may set its next day of meeting more than three days after the day of adjournment.

2. Upon its adjournment on February 1, 1993, the Senate may set its next day of meeting more than three days after the day of adjournment.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

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. Hottinger, Solon, Metzen, Janezich and Day introduced—

S.F. No. 109: A bill for an act relating to financial institutions; state banks; regulating the acquisition of a bank or savings association for operation as a detached facility; amending Minnesota Statutes 1992, section 49.34, subdivision 2.

Referred to the Committee on Commerce and Consumer Protection.

Mmes. Pariseau; Benson, J.E.; Ms. Lesewski and Mr. Terwilliger introduced—

S.F. No. 110: 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 increases in the consumer price index.

Referred to the Committee on Finance.

Messrs. Moe, R.D.; Samuelson; Ms. Piper and Mrs. Benson, J.E. introduced—

S.F. No. 111: A bill for an act relating to family services; expanding state support for programs for the elderly; appropriating money.

Referred to the Committee on Family Services.

Messrs. Moe, R.D.; Luther; Johnson, D.E.; Benson, D.D. and Solon introduced—

S.F. No. 112: A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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



Messrs. Belanger and Larson introduced—

S.F. No. 113: A bill for an act relating to consumer protection; requiring certificates of title on rebuilt vehicles to contain the term "rebuilt" on them; removing a limitation on this requirement; amending Minnesota Statutes 1992, section 325F.6642, subdivision 3.

Referred to the Committee on Transportation and Public Transit.

### RECESS

Mr. Moe, R.D moved that the Senate do now recess until immediately after the conclusion of the Joint Convention. The motion prevailed.

The Senate reconvened at the appropriate time.

### ADJOURNMENT

Ms. Reichgott moved that the Senate do now adjourn until 9:30 a.m., Thursday, January 28, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TENTH DAY

St. Paul, Minnesota, Thursday, January 28, 1993

The Senate met at 9:30 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. Peter Geisendorfer-Lindgren.

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

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

The President declared a quorum present.

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

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

March 3, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

## STATE BOARD OF TECHNICAL COLLEGES

Muriel S. Abram, 2906 Branch St., Duluth, St. Louis County, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1996.

James C. Bernstein, 5216 Ewing Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1996.

Robin Mochinski, 517 Stevens St., Watertown, Carver County, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1994.

(Referred to the Committee on Education.)

May 5, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

## BOARD ON JUDICIAL STANDARDS

Jon O. Haaven, 1118 Casa Marina Ln., Alexandria, Douglas County, has been appointed by me, effective May 11, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Judiciary.)

May 12, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

## BOARD OF ANIMAL HEALTH

John A. Howe, D.V.M., 575 Trout Lake Rd., Grand Rapids, Itasca County, has been appointed by me, effective May 11, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Agriculture and Rural Development.)

May 12, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### STATE BOARD OF EDUCATION

Georgina Y. Stephens, 875 Laurel Ave., St. Paul, Ramsey County, has been appointed by me, effective May 13, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Education.)

May 13, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Terry Anderson, 406 Ave. D, Cloquet, Carlton County, has been appointed by me, effective May 18, 1992, for a term expiring on the first Monday in January, 1996.

Ellen Doll, 1716 Irving Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective May 18, 1992, for a term expiring on the first Monday in January, 1996.

Patricia Surrat, Rt. 1, Box 175, Wanamingo, Goodhue County, has been appointed by me, effective May 18, 1992, for a term expiring on the first Monday in January, 1996.

Gloria Sneed, 172 - 6th Ave. E., St. Paul, Ramsey County, has been appointed by me, effective May 18, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Education.)

May 19, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

ENVIRONMENTAL TRUST FUND  
CITIZENS' ADVISORY COMMITTEE

Nancy Gibson, 2712 Glenhurst Ave., St. Louis Park, Hennepin County, has been appointed by me, effective May 26, 1992, for a term expiring on the first Monday in January, 1996.

Ty Bischoff, 21167 Elk Lake Rd., Elk River, Sherburne County, has been appointed by me, effective May 26, 1992, for a term expiring on the first Monday in January, 1996.

Arlan H. Anderson, Box 7, Argyle, Marshall County, has been appointed by me, effective May 26, 1992, for a term expiring on the first Monday in January, 1996.

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

May 22, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

STATE ETHICAL PRACTICES BOARD

Elsa Carpenter, 4724 Emerson Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective May 27, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Ethics and Campaign Reform.)

May 29, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

COMMISSIONER, IRON RANGE RESOURCES  
AND REHABILITATION

James Gustafson, 1936 Woodhaven Ln., Duluth, St. Louis County, has been appointed by me, effective June 3, 1992, for a term expiring on the first Monday in January, 1995.

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

June 2, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA HIGHER EDUCATION  
FACILITIES AUTHORITY

James R. Miller, 707 Mt. Curve Blvd., St. Paul, Ramsey County, has been appointed by me, effective June 8, 1992, for a term expiring on the first Monday in January, 1996.

Mollie N. Thibodeau, 407 Wallace Ave., Duluth, St. Louis County, has been appointed by me, effective June 8, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Education.)

June 3, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

CHAIR, METROPOLITAN WASTE CONTROL COMMISSION

Louis R. Clark, 13119 Heritage Way, Apple Valley, Dakota County, has been appointed by me, effective June 3, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Metropolitan and Local Government.)

June 4, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

STATE ETHICAL PRACTICES BOARD

Carolyn Deshon Rodriguez, 12815 Foliage Ave., Apple Valley, Dakota County, has been appointed by me, effective June 8, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Ethics and Campaign Reform.)

June 11, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Barbara J. Sykora, 4835 Highcrest Dr., Excelsior, Hennepin County, has been appointed by me, effective June 15, 1992, for a term expiring on the first Monday in January, 1993.

Maureen Shaver, 165 E. Grove Ln., Wayzata, Hennepin County, has been appointed by me, effective June 15, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Education.)

June 12, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Deanna Fairbanks, R.R. 2, Box 227, Cass Lake, Beltrami County, has been

appointed by me, effective June 17, 1992, for a term expiring on the first Monday in January, 1996.

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

June 29, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### STATE UNIVERSITY BOARD

Lawrence Perlman, 8100 - 34th Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective July 5, 1992, for a term expiring on the first Monday in January, 1996.

William Hogan II, 18520 Beaverwood Rd. S., Minnetonka, Hennepin County, has been appointed by me, effective July 5, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Education.)

September 22, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

#### MINNESOTA HOUSING FINANCE AGENCY

Jeanette Carlson, 5910 - 132nd Ave. N.E., Spicer, Kandiyohi County, has been appointed by me, effective September 23, 1992, for a term expiring on the first Monday in January, 1996.

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

November 18, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the



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

#### METROPOLITAN COUNCIL

Barbara Butts, 2222 Memorial Pky., Minneapolis, Hennepin County, has been appointed by me, effective November 23, 1992, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Metropolitan and Local Government.)

November 20, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

#### BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

Brian Flakne, 13508 Fremont Pl., Burnsville, Hennepin County, has been appointed by me, effective October 25, 1992, for a term expiring on the first Monday in January, 1994.

(Referred to the Committee on Education.)

December 28, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the Senate, the following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

#### WORKERS' COMPENSATION COURT OF APPEALS

Richard Hefte, R.R. 3, Box 88A, Fergus Falls, Otter Tail County, has been appointed by me, effective January 26, 1993, for a term expiring on the first Monday in January, 1999.

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

January 6, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### PUBLIC UTILITIES COMMISSION

Thomas Burton, 822 Sierra Ln. N.E., Rochester, Olmsted County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1999.

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

Warmest regards,  
Arne H. Carlson, Governor

#### MOTIONS AND RESOLUTIONS

Mr. Pogemiller moved that the name of Mr. Kroening be added as a co-author to S.F. No. 58. The motion prevailed.

Ms. Robertson moved that the name of Ms. Ranum be added as a co-author to S.F. No. 75. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 80. The motion prevailed.

Mr. Spear moved that the name of Mr. Merriam be added as a co-author to S.F. No. 105. The motion prevailed.

Ms. Reichgott introduced—

Senate Resolution No. 19: A Senate resolution commending the faculty, staff, and students of Hosterman Middle School for their efforts in earning a Blue Ribbon School citation from the United States Department of Education.

Referred to the Committee on Rules and Administration.

Messrs. Johnson, D.E.; McGowan; Ms. Olson, Mrs. Pariseau and Mr. Frederickson introduced—

Senate Resolution No. 20: A Senate resolution stating the Senate policy against tax increases.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved that H.F. No. 11 be taken from the table. The motion prevailed.

H.F. No. 11: A bill for an act relating to education; directing the Lincoln county auditor to certify certain 1993 levies for the Verdi school district.

### 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. 11 and that the rules of the Senate be so far suspended as to give H.F. No. 11 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 11 was read the second time.

Ms. Lesewski moved to amend H.F. No. 11 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 11, and insert the language after the enacting clause, and the title, of S.F. No. 47, the first engrossment.

The motion prevailed. So the amendment was adopted.

Ms. Lesewski then moved to amend H.F. No. 11, as amended by the Senate January 28, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 47.)

Page 1, line 19, after "for" insert "independent"

The motion prevailed. So the amendment was adopted.

H.F. No. 11 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	Finn	Krentz	Morse	Runbeck
Beckman	Flynn	Kroening	Murphy	Sams
Belanger	Frederickson	Langseth	Neuville	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Betzold	Johnson, D.J.	Marty	Piper	Terwilliger
Chandler	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chmielewski	Johnston	Merriam	Price	
Cohen	Kelly	Metzen	Ranum	
Day	Kiscaden	Moe, R.D.	Reichgott	
Dille	Knutson	Mondale	Robertson	

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Lesewski moved that S.F. No. 47, on General Orders, be stricken and laid on the table. 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. Kelly; Merriam; Moe, R.D.; Metzen and Benson, D.D. introduced—

S.F. No. 114: A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.03, subdivision 1; 297C.10, subdivisions 1 and 2; 297C.12; 297C.13, subdivision 1; 299A.02; 299A.30, subdivision 1; 299A.31, subdivision 1; 299A.331, subdivision 1; 299A.38, subdivision 1; 299C.01, subdivisions 2 and 4; 299C.06; 299C.13; 299C.50; 299F.01, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; 299A.01; 299C.01, subdivision 1; and 299F.01, subdivisions 1 and 3; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Laidig, Chmielewski, Dille, Neuville and Berg introduced—

S.F. No. 115: A bill for an act relating to civil actions; limiting liability for certain injuries arising out of livestock activities; proposing coding for new law in Minnesota Statutes, chapter 604.

Referred to the Committee on Agriculture and Rural Development.

Mrs. Benson, J.E.; Mr. Larson, Mrs. Adkins, Messrs. Stevens and Stumpf introduced—

S.F. No. 116: A bill for an act relating to state lands; authorizing a conveyance to the city of St. Cloud of certain land owned by the state as a part of St. Cloud State University.

Referred to the Committee on Environment and Natural Resources.

Messrs. Samuelson, Sams, Ms. Piper, Messrs. Finn and Day introduced—

S.F. No. 117: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; amending Minnesota Statutes 1992, sections 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Messrs. Solon and Metzen introduced—

S.F. No. 118: A bill for an act relating to corrections; allowing chiropractors to practice in institutions under the control of the commissioner of corrections; amending Minnesota Statutes 1992, section 241.021, subdivision 4.

Referred to the Committee on Health Care.

Mr. Sams, Mses. Berglin and Piper introduced—

S.F. No. 119: A bill for an act relating to health; modifying requirements for the nursing assistant competency evaluation program; amending Minnesota Statutes 1992, section 144A.61, subdivision 3a.

Referred to the Committee on Health Care.

Ms. Krentz, Messrs. Murphy, Morse, Ms. Robertson and Mr. Knutson introduced—

S.F. No. 120: A bill for an act relating to education; making technical changes in education programs and policies; amending Minnesota Statutes 1992, sections 120.101, subdivisions 5 and 5b; 120.102, subdivision 1; 123.7045; 124.19, subdivision 1; 124.195, subdivision 9; 124.431, subdivision 1a; 124.95, subdivisions 1 and 2; 124.961; 125.05, subdivision 1a; 475.61, subdivision 3.

Referred to the Committee on Education.

Messrs. Chandler, Finn, Price, Riveness and Novak introduced—

S.F. No. 121: A bill for an act relating to the environment; authorizing the awarding of reasonable attorney fees and costs to prevailing parties in actions under the Minnesota environmental rights act; proposing coding for new law in Minnesota Statutes, chapter 116B.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin introduced—

S.F. No. 122: A bill for an act relating to human services; requiring a minimum funding level for each grantee under the Head Start program which is no less than that of fiscal year 1993; appropriating money; amending Minnesota Statutes 1992, section 268.914, subdivision 1; repealing Minnesota Statutes 1992, section 268.914, subdivision 2.

Referred to the Committee on Family Services.

Mr. Stumpf introduced—

S.F. No. 123: A bill for an act relating to education; allowing the Badger school district an excess fund balance for five years in certain circumstances; amending Laws 1991, chapter 265, article 1, section 30.

Referred to the Committee on Education.

Messrs. Stumpf, Sams, Beckman and Benson, D.D. introduced—

S.F. No. 124: A bill for an act relating to local government; permitting the creation of regional public library districts; amending Minnesota Statutes

1992, sections 134.001, by adding a subdivision; and 134.351, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 134.

Referred to the Committee on Education.

Mr. Kelly introduced—

S.F. No. 125: A bill for an act relating to crime; prohibiting the reckless discharge of firearms; amending Minnesota Statutes 1992, section 609.66, subdivision 1a.

Referred to the Committee on Crime Prevention.

Messrs. Sams, Finn, Samuelson, Kelly and Day introduced—

S.F. No. 126: A bill for an act relating to telecommunications; prohibiting cellular telephone companies from charging customer for making emergency call; proposing coding for new law in Minnesota Statutes, chapter 403.

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

Mses. Pappas, Anderson, Mr. Finn, Mses. Ranum and Berglin introduced—

S.F. No. 127: A bill for an act relating to the legislature; permitting the legislative coordinating commission to accept grants and gifts for public purposes; appropriating the grants and gifts; amending Minnesota Statutes 1992, section 3.305, by adding a subdivision.

Referred to the Committee on Rules and Administration.

Mr. Vickerman introduced—

S.F. No. 128: A bill for an act relating to highways; designating the B. E. Grottum memorial highway in Jackson county; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. McGowan, Pogemiller, Neuville, Spear and Mrs. Benson, J.E. introduced—

S.F. No. 129: A bill for an act relating to crime; creating the crimes of stalking and aggravated stalking; authorizing warrantless arrests of alleged stalkers; requiring arrest and detention of alleged stalkers in lieu of release on citation; providing for conditions of pretrial release; providing penalties; amending Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 629.34, subdivision 1; and 629.72; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Spear, Mses. Pappas, Robertson, Flynn and Mr. Pogemiller introduced—

S.F. No. 130: A bill for an act relating to children; providing for a recognition of parentage with the force and effect of a paternity adjudication; providing for preparation and distribution of a recognition form and educa-

tional materials for paternity; appropriating money; amending Minnesota Statutes 1992, sections 144.215, subdivision 3; 257.54; 257.541; 257.55, subdivision 1; 257.57, subdivision 2; 257.74, subdivision 1; and 518.156, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 257.

Referred to the Committee on Judiciary.

Ms. Hanson introduced—

S.F. No. 131: A bill for an act relating to motor carriers; restricting authority of regular route common carriers of passengers to depart from their authorized routes; amending Minnesota Statutes 1992, section 221.051.

Referred to the Committee on Transportation and Public Transit.

Messrs. Bertram; Johnson, D.J.; Chmielewski; Day and Neuville introduced—

S.F. No. 132: A bill for an act relating to taxation; property; providing for distribution of penalties and interest; amending Minnesota Statutes 1992, section 276.131.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Samuelson and Sams introduced—

S.F. No. 133: A bill for an act relating to human services; authorizing reimbursement to nursing homes for money reserves required by the department of commerce for self-insured workers' compensation programs; amending Minnesota Statutes 1992, section 256B.421, subdivision 14.

Referred to the Committee on Health Care.

Ms. Berglin, Messrs. Samuelson and Sams introduced—

S.F. No. 134: A bill for an act relating to human services; changing nursing home license surcharges; amending Minnesota Statutes 1992, section 256.9657, subdivisions 1 and 1a.

Referred to the Committee on Health Care.

Ms. Reichgott, Messrs. Sams and Finn introduced—

S.F. No. 135: A bill for an act relating to natural resources; imposing liability for certain damages caused by beaver dams; amending Minnesota Statutes 1992, section 97B.665, subdivision 2, and by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnson, J.B. introduced—

S.F. No. 136: A bill for an act relating to education; providing funding for full day kindergarten; changing the kindergarten pupil weight; requiring a school district to offer full day kindergarten; amending Minnesota Statutes 1992, section 124.17, subdivision 1.

Referred to the Committee on Education.

Mses. Piper, Berglin, Mr. Samuelson, Ms. Krentz and Mrs. Benson, J.E. introduced—

S.F. No. 137: A bill for an act relating to aid to families with dependent children; requiring the commissioner of human services to seek a federal waiver to provide housing assistance to eligible families; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Family Services.

Mr. Vickerman, Mrs. Adkins, Messrs. Moe, R.D.; Johnson, D.J. and Johnson, D.E. introduced—

S.F. No. 138: A bill for an act relating to local government; providing for annexation elections; changing conditions permitting annexation by ordinance; amending Minnesota Statutes 1992, sections 414.031, by adding a subdivision; and 414.033, subdivision 2; repealing Minnesota Statutes 1992, section 414.033, subdivision 2a.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Chandler, Riveness, Ms. Anderson, Messrs. Beckman and Marty introduced—

S.F. No. 139: A bill for an act relating to civil actions; providing for procedures and remedies in actions involving public petition and participation; regulating S.L.A.P.P. lawsuits; proposing coding for new law in Minnesota Statutes, chapter 604.

Referred to the Committee on Judiciary.

Messrs. Chandler, Vickerman, Morse, Beckman and Stumpf introduced—

S.F. No. 140: A bill for an act relating to state purchases; authorizing the commissioner of administration to reject competitive bids and purchase directly from a retail supplier in certain circumstances; amending Minnesota Statutes 1992, section 16B.09, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Ms. Reichgott, Messrs. Betzold, Finn, Luther and Knutson introduced—

S.F. No. 141: A bill for an act relating to uniform acts; enacting Minnesota Common Interest Ownership Act; amending Minnesota Statutes 1992, sections 308A.011, subdivision 1; 500.20, subdivision 2a; 508.71, by adding a subdivision; and 541.023, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 515B.

Referred to the Committee on Judiciary.

Messrs. Hottinger, Chmielewski, Riveness and Chandler introduced—

S.F. No. 142: A bill for an act relating to workers' compensation; regulating rehabilitation services and consultations; amending Minnesota Statutes 1992, section 176.102, subdivision 4.

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



Mrs. Pariseau, Messrs. Benson, D.D.; Vickerman and Mrs. Adkins introduced—

S.F. No. 143: A bill for an act relating to local government; changing conditions permitting annexation by ordinance; amending Minnesota Statutes 1992, section 414.033, subdivision 2; repealing Minnesota Statutes 1992, section 414.033, subdivision 2a.

Referred to the Committee on Metropolitan and Local Government.

Mr. Cohen introduced—

S.F. No. 144: A bill for an act relating to human rights; prohibiting employers from asking employees if they have made or filed sexual harassment complaints; extending the statute of limitations for sexual harassment complaints; amending Minnesota Statutes 1992, sections 363.03, subdivision 1; and 363.06, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 145: A bill for an act relating to the legislature; reducing the number of members of the senate and house of representatives; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1; repealing Minnesota Statutes 1992, section 2.031, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Cohen introduced—

S.F. No. 146: 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 1992, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 147: A bill for an act relating to civil liability; raising the tort liability limits for claims against the metropolitan transit commission; amending Minnesota Statutes 1992, sections 466.01, by adding a subdivision; and 466.04, subdivisions 1 and 3.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 148: A bill for an act relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles; amending Minnesota Statutes 1992, section 169.06, subdivision 6.

Referred to the Committee on Transportation and Public Transit.

Messrs. Benson, D.D.; Stevens; Ms. Lesewski, Messrs. Morse and Hottinger introduced—

S.F. No. 149: A bill for an act relating to municipal contracting; contracting for planning services; requiring that contracts entered into by municipalities for planning services provide that the plans produced under the contracts become the property of the municipalities; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Metropolitan and Local Government.

Mr. Finn introduced—

S.F. No. 150: A bill for an act relating to education; authorizing a special levy for alternative program pupils; amending Minnesota Statutes 1992, section 124A.23, by adding a subdivision.

Referred to the Committee on Education.

Mr. Finn introduced—

S.F. No. 151: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 118, Remer-Longville.

Referred to the Committee on Education.

Messrs. Luther; Moe, R.D.; Marty; Ms. Krentz and Mr. Laidig introduced—

S.F. No. 152: A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring political committees and funds to include their registration number on contributions; prohibiting "friends of" committees; requiring reports by certain solicitors of campaign contributions; increasing expenditure limits for certain first-time candidates; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; reducing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; changing distribution of campaign checkoff money; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, by adding a subdivision; 10A.25, subdivision 2, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 5, 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A and 211A.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Luther, Betzold and McGowan introduced—

S.F. No. 153: A bill for an act relating to education; permitting independent school district No. 279, Osseo, to adopt an alternating eight-period schedule; exempting the district from certain statutory instructional time requirements through the 1995-1996 school year.

Referred to the Committee on Education.

Messrs. Stumpf, Chmielewski and Lessard introduced—

S.F. No. 154: A bill for an act relating to taxation; motor fuel taxes; providing for refunds of fuel taxes paid on fuel used to operate passenger snowmobiles as part of the operations of a resort; amending Minnesota Statutes 1992, sections 296.01, by adding a subdivision; and 296.18, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Mr. Frederickson introduced—

S.F. No. 155: A bill for an act relating to education; authorizing fund transfers for the Springfield school district.

Referred to the Committee on Education.

Messrs. Berg and Larson introduced—

S.F. No. 156: A bill for an act relating to education; appropriating money for a cooperative secondary education facility grant for the Grant county project.

Referred to the Committee on Education.

Mr. Pogemiller, Ms. Olson, Mr. Stumpf, Ms. Krentz and Robertson introduced—

S.F. No. 157: A bill for an act relating to education; repealing or modifying unnecessary mandates, whether established by statute or rule, and asking Congress to repeal or modify certain federal mandates that the legislature believes are unnecessarily restrictive; amending Minnesota Statutes 1992, section 123.36, subdivision 4; repealing Minnesota Rules, part 3520.4560.

Referred to the Committee on Education.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 1, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## ELEVENTH DAY

St. Paul, Minnesota, Monday, February 1, 1993

The Senate met at 11:00 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. David E. Engen.

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

The President declared a quorum present.

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

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

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

December 30, 1992

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

As the probable successor to Senator Jerome Hughes as President of the

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

#### METROPOLITAN COUNCIL

Stephen B. Wellington, Jr., 2257 Gordon Ave., St. Paul, Ramsey County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Patrick Leung, 1598 - 23rd Ave. N.W., New Brighton, Ramsey County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Martha M. Head, 1616 W. 22nd St., Minneapolis, Hennepin County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Esther Newcome, 2374 Joy Ave., White Bear Lake, Ramsey County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Roger Scherer, 12001 Bass Lake Rd., Plymouth, Hennepin County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Polly Bowles, 6020 Ashcroft Ave., Edina, Hennepin County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Mary Hill Smith, 515 N. Ferndale Rd., Orono, Hennepin County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

Kevin Howe, 1763 Lansford Ln., Mendota Heights, Dakota County, has been appointed by me, effective January 4, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Metropolitan and Local Government.)

January 6, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### MINNESOTA POLLUTION CONTROL AGENCY

Sue Hiller, 5119 London Rd., Duluth, St. Louis County, has been appointed

by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1997.

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

January 6, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### STATE BOARD FOR COMMUNITY COLLEGES

Nancy Brataas, 839 - 10 1/2 St. S.W., Rochester, Olmsted County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

January 11, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### DIRECTOR, OFFICE OF WASTE MANAGEMENT

Diane Wesman, 5862 W. Bald Eagle Blvd., White Bear Lake, Ramsey County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1995.

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

Warmest regards,  
Arne H. Carlson, Governor

#### REPORTS OF COMMITTEES

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for January 19, 1993:

DEPARTMENT OF REVENUE  
COMMISSIONER

Morris J. Anderson

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Luther moved that the foregoing committee report be laid on the table. The motion prevailed.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 52: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy.

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

Page 1, line 14, after "124A.03," insert "subdivision 2b,"

Page 2, after line 6, insert:

"Sec. 2. [ST. LOUIS COUNTY, BABBITT, TOWER-SOUDAN DISTRICT CONSOLIDATION.]

*Subdivision 1. [ELECTION DISTRICTS AND NUMBER OF BOARD MEMBERS.] Notwithstanding any other law to the contrary, the school board of independent school district No. 710, St. Louis county, in office on the effective date of this act shall by resolution determine the election districts and number of school board members for a consolidated school district made up of independent school district No. 710, St. Louis county, independent school district No. 692, Babbitt, and independent school district No. 708, Tower-Soudan, or a consolidated school district made up of independent school districts No. 710 and No. 692. If they are part of the consolidation, the school boards of independent school districts No. 692, Babbitt, and No. 708, Tower-Soudan, must by resolution affirm the resolution adopted by the board of independent school district No. 710, St. Louis county. The election districts shall, to the extent reasonably possible, approximate the attendance areas of the new school district. The board for the new district may be either six or seven members.*

*Subd. 2. [BOARD ELECTIONS.] Notwithstanding Minnesota Statutes, section 122.23, subdivision 18, an election shall be required only for those board seats with terms expiring in 1993 in independent school district No. 710, St. Louis county, or those members who represent election districts made up of independent school district No. 692, Babbitt, or No. 708, Tower-Soudan. The other provisions of section 122.23, subdivision 18, shall apply to the election. Notwithstanding Minnesota Statutes, section 123.33, the term of the board member representing the Toivola-Meadowlands attendance area expires June 30, 1993.*

Sec. 3. [BABBITT SCHOOL DISTRICT OPERATING DEBT.]

*Subdivision 1. [LEVY.] Notwithstanding any other law to the contrary, for taxes payable in 1993 independent school district No. 692, Babbitt, may levy up to \$135,000 to reduce its statutory operating debt under Minnesota Statutes, section 121.914, as of June 30, 1992.*

*Subd. 2. [BY FEBRUARY 18, 1993.] Notwithstanding Minnesota Statutes, section 275.07, or any other law to the contrary, if independent school district No. 692, Babbitt, elects to levy under subdivision 1, it may recertify its levy for taxes payable in 1993 to the county auditor by March 5, 1993. The auditor shall use the recertified levy in setting the school district's tax rate for taxes payable in 1993.*

*Subd. 3. [NOT EXCESS LEVY.] Any increase in the levy of the district pursuant to subdivision 1 is not in excess of the levy permitted by Minnesota Statutes, section 275.065, subdivisions 6 and 7.*

*Subd. 4. [COMMISSIONER'S RECERTIFICATION.] By February 26, 1993, the commissioner of education shall recertify the levy limitations of independent school district No. 692, Babbitt, to reflect subdivisions 1 and 2.*

Sec. 4. [REPEALER.]

*Laws 1977, chapter 92, is repealed."*

Page 2, line 7, delete "2" and insert "5"

Page 2, line 10, after the period, insert "Sections 2 and 3 are effective the day following final enactment. Section 4 is effective July 1, 1993."

Amend the title as follows:

Page 1, line 3, after "levy" insert "; providing for school board elections in the St. Louis county, Babbitt, Tower-Soudan district consolidation; permitting an operating debt levy for the Babbitt school district; repealing Laws 1977, chapter 92"

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.

## MOTIONS AND RESOLUTIONS

Mr. Pogemiller moved that the name of Mr. McGowan be added as a co-author to S.F. No. 33. The motion prevailed.

Mr. Finn moved that the name of Mr. Luther be added as a co-author to S.F. No. 70. The motion prevailed.

Mr. Bertram moved that his name be stricken as a co-author to S.F. No. 82. The motion prevailed.

Mr. Solon moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 118. The motion prevailed.

Ms. Berglin moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 122. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Ms. Piper be added as a co-author to S.F. No. 136. The motion prevailed.

Mr. Hottinger moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 142. The motion prevailed.

Mr. Finn moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 150. The motion prevailed.



Mr. Kelly moved that S.F. No. 114 be withdrawn from the Committee on Governmental Operations and Reform and re-referred to the Committee on Crime Prevention. The motion prevailed.

Mr. Stumpf introduced—

Senate Resolution No. 21: A Senate resolution congratulating the Stephen High School football team on winning the 1992 state nine-man football championship.

Referred to the Committee on Rules and Administration.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Stumpf introduced—

S.F. No. 158: A bill for an act relating to education; extending the time for the Roseau school district to enter into construction contracts.

Referred to the Committee on Education.

Mrs. Adkins introduced—

S.F. No. 159: A bill for an act relating to the town of Santiago; authorizing the establishment of a detached banking facility.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Sams, Langseth and Larson introduced—

S.F. No. 160: A bill for an act relating to Otter Tail county; allowing use of certain land in Otter Tail county.

Referred to the Committee on Environment and Natural Resources.

Mr. Cohen introduced—

S.F. No. 161: A bill for an act relating to state government; department of public safety; providing for the appointment of the superintendent of criminal apprehension, the chief supervisor of the state patrol, and the state fire marshal to fixed terms from lists of candidates submitted by advisory committees; establishing the composition of the advisory committees; amending Minnesota Statutes 1992, sections 299C.01, subdivision 2; 299D.01, subdivision 1; and 299F.01, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Morse, Mrs. Benson, J.E.; Messrs. Stumpf, Hottinger and Finn introduced—

S.F. No. 162: A bill for an act relating to retirement; increasing the individual retirement account plans employer contribution rate; permitting certain persons to have employer contributions transferred from the teachers retirement association to the individual retirement account plan; amending Minnesota Statutes 1992, sections 354B.04, subdivisions 1 and 2; and

354B.05, subdivision 1; and Laws 1990, chapter 570, article 3, section 11; proposing coding for new law in Minnesota Statutes, chapter 354B.

Referred to the Committee on Governmental Operations and Reform.

Ms. Berglin introduced—

S.F. No. 163: A bill for an act relating to crimes; modifying requirements for the dispensing of controlled substance; amending Minnesota Statutes 1992, sections 152.01, by adding a subdivision; and 152.11.

Referred to the Committee on Health Care.

Mr. Bertram, Mrs. Adkins, Messrs. Samuelson; Benson, D.D. and Kroening introduced—

S.F. No. 164: A bill for an act relating to the lottery; authorizing and regulating the use of video lottery machines; regulating video lottery manufacturers, retailers, operators, and establishments; prescribing penalties; amending Minnesota Statutes 1992, sections 349A.01, by adding subdivisions; 349A.05; 349A.06, subdivision 4; 349A.12, subdivision 4; 349A.13; 609.75, subdivision 4; and 609.761, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 349A.

Referred to the Committee on Gaming Regulation.

Mr. Chmielewski introduced—

S.F. No. 165: A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to article IV; providing for initiative and referendum.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Benson, D.D. introduced—

S.F. No. 166: A bill for an act relating to human services; the organization and operation of state government; appropriating money for human services, corrections, health, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16A.45, by adding a subdivision; 62A.045; 136A.121, subdivision 2; 144.122; 144.123, subdivision 1; 144.215, subdivision 3, and by adding a subdivision; 144.226, subdivision 2; 144.3831, subdivision 2; 144.802, subdivision 1; 144.98, subdivision 5; 145.882, subdivision 7; 145.883, subdivision 5; 149.04; 157.045; 214.04, subdivision 1; 214.101, subdivision 1; 214.13, subdivision 1; 241.01, subdivision 5; 242.51; 243.23, subdivision 3; 245.462, subdivision 20; 245.484; 245.4882, subdivision 5; 245.73, by adding a subdivision; 246.0135; 246.02, subdivision 2; 246.151, subdivision 1; 246.18, subdivision 4; 251.011, subdivision 4a; 252.025, subdivisions 1 and 4; 252.035; 252.275, subdivision 1, and by adding a subdivision; 252.30; 252.40; 252.41, subdivision 9; 252.46; 252.50, subdivision 2; 252A.101, subdivision 7; 252A.111, subdivision 4; 253.015; 253.202; 254.05; 254B.03, subdivision 1; 254B.06, subdivision 3; 256.025, subdivisions 3 and 4; 256.73, subdivisions 2, 3a, 5, and 8; 256.736, subdivisions 10, 10a, 14, and 16; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; 256.74, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.9657, subdivisions 1 and 7;

256.969, subdivisions 1, 9, and by adding a subdivision; 256.9695, subdivision 3; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 256.983, subdivision 3; 256B.04, subdivision 16; 256B.055, subdivision 1; 256B.056, subdivision 2; 256B.0625, subdivisions 13, 13a, 15, 29, and by adding a subdivision; 256B.0627, subdivisions 4 and 5; 256B.0628, subdivision 2; 256B.0911, subdivisions 2, 3, 4, 6, and 7; 256B.0913, subdivisions 4, 5, 11, 12, and 14; 256B.0915, subdivisions 1 and 3; 256B.0917, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12; 256B.093, subdivisions 1 and 3; 256B.15, subdivision 1; 256B.431, subdivisions 20, 13, 15, and by adding a subdivision; 256B.47, subdivision 3; 256B.48, subdivision 2; 256B.501, subdivisions 3g, 3i, and by adding subdivisions; 256D.03, subdivisions 3 and 4; 256D.05, by adding a subdivision; 256D.051, subdivisions 1, 1a, 2, 6, and by adding a subdivision; 256D.091, subdivision 3; 256F.06, subdivision 2; 256I.01; 256I.02; 256I.03, subdivisions 2, 3, and by adding subdivisions; 256I.04, subdivisions 1, 2, 3, and by adding subdivisions; 256I.05, subdivisions 1, 1a, 4, 8, and by adding a subdivision; 256I.06; 257.3573, by adding a subdivision; 257.54; 257.541; 257.55, subdivision 1; 257.57, subdivision 2; 257.66, subdivision 3; 257.69, subdivision 1; 257.74, subdivision 1; 257.803, subdivision 1; 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, and by adding subdivisions; 259.431, subdivision 5; 273.1392; 273.1398, subdivision 5b; 275.07, subdivision 3; 326.44; 326.75, subdivision 4; 393.07, subdivisions 3 and 10; 401.13; 462A.03, subdivision 13; 518.156, subdivision 1; 518.171; 518.551, subdivisions 5, 7, 10, and 12; 518.611, subdivisions 1, 2, 6, and by adding a subdivision; 518.613, subdivisions 2, 3, and 4; 518.64, subdivisions 2 and 6; 525.539, subdivision 2; 525.551, subdivision 7; 525.56, subdivision 3; 525.591, subdivision 2; 525.60, subdivision 1; 548.09, subdivision 1; 548.091, subdivision 3a; 588.20; 609.10; 609.375, subdivision 1; 609.821, subdivisions 1 and 2; and 626.559, by adding a subdivision; Laws 1991, chapter 292, article 6, section 54; Laws 1992, chapter 513, article 9, section 41; proposing coding for new law in Minnesota Statutes, chapter 144; 145; 252; 256; 256B; 256F; 257; and 518; proposing coding for new law as Minnesota Statutes, chapter 246B; repealing Minnesota Statutes 1992, sections 116.75; 116.76; 116.77; 116.78; 116.79; 116.80; 116.801; 116.802; 116.81; 116.82; 116.83; 148B.72; 245.711; 245.712; 252.47; 252.478; 254A.17, subdivision 1; 256.969, subdivision 20; 256.979, subdivisions 1, 2, 3, and 4; 256.985; 256B.0911, subdivision 9; 256B.0913, subdivision 9; 256B.0917, subdivision 10; 256B.501, subdivisions 3f, 3j, and 3k; 256D.113; 256I.03, subdivision 4; 256I.05, subdivisions 9 and 10; 256I.051; and 273.1398, subdivisions 5a and 5c.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 167: A bill for an act relating to insurance; health; modifying eligibility for the private employers insurance program and small employer insurance coverages; amending Minnesota Statutes 1992, sections 43A.317, subdivision 5; and 62L.02, subdivision 26.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Frederickson introduced—

S.F. No. 168: 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 1992, sections 3.30, subdivision 2; 7.09, subdivision 1; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; and 298.296, subdivision 1; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

Referred to the Committee on Governmental Operations and Reform.

Mr. Frederickson introduced—

S.F. No. 169: A bill for an act relating to appropriations; providing for deficiencies in state appropriations; appropriating money.

Referred to the Committee on Health Care.

Messrs. Hottinger, Marty, Ms. Flynn, Mr. Johnson, D.J. and Ms. Anderson introduced—

S.F. No. 170: A bill for an act relating to taxation; increasing the rate of the earned income credit; amending Minnesota Statutes 1992, section 290.0671, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Bertram, Chmielewski, Vickerman, Dille and Ms. Lesewski introduced—

S.F. No. 171: A bill for an act relating to town roads; authorizing limited regulation by towns of water encroaching on town road rights-of-way from whatever source; providing exemption from wetland replacement and other restrictive provisions; amending Minnesota Statutes 1992, sections 164.36; and 103G.2241, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard; Johnson, D.J.; Chmielewski and Janezich introduced—

S.F. No. 172: A bill for an act relating to education; increasing secondary sparsity revenue; amending Minnesota Statutes 1992, section 124A.22, subdivision 6.

Referred to the Committee on Education.

Mses. Piper, Berglin, Messrs. Benson, D.D.; Sams and Johnson, D.E. introduced—

S.F. No. 173: A bill for an act relating to occupations and professions; modifying board of medical practice requirements for licensure by reciprocity; amending Minnesota Statutes 1992, section 147.03, subdivision 2.

Referred to the Committee on Health Care.

Mses. Reichgott, Wiener, Messrs. Chandler, Solon and Oliver introduced—

S.F. No. 174: A bill for an act relating to commerce; regulating facsimile transmission of unsolicited advertising materials; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Wiener, Mr. Belanger, Ms. Ranum, Messrs. Spear and Murphy introduced—

S.F. No. 175: A bill for an act relating to crimes; creating a felony level offense for repeat fifth-degree assault offenders; amending Minnesota Statutes 1992, section 609.224, subdivision 2, and by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Moe, R.D.; Luther; Johnson, D.E.; Novak and Benson, D.D. introduced—

S.F. No. 176: A bill for an act relating to insurance; workers' compensation; regulating refunds made by the Workers' Compensation Reinsurance Association; amending Minnesota Statutes 1992, section 79.34, by adding a subdivision.

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

Mr. Merriam introduced—

S.F. No. 177: A bill for an act relating to crime; expanding the crime of solicitation of juveniles to include the solicitation of mentally impaired persons to commit a criminal act; amending Minnesota Statutes 1992, section 609.494.

Referred to the Committee on Crime Prevention.

Mr. Merriam introduced—

S.F. No. 178: A bill for an act relating to drivers' licenses; increasing fees; requiring more secure cards; amending Minnesota Statutes 1992, section 171.06, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Ms. Johnson, J.B.; Messrs. Finn, Novak and Morse introduced—

S.F. No. 179: A bill for an act relating to education; establishing a youth apprenticeship program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Messrs. Kroening, Samuelson, Novak, Bertram and McGowan introduced—

S.F. No. 180: A bill for an act relating to horse racing; proposing an amendment to the Minnesota Constitution, article X, section 8; permitting the legislature to authorize pari-mutuel betting on horse racing without limitation; directing the Minnesota racing commission to prepare and submit legislation to implement televised off-site betting.

Referred to the Committee on Gaming Regulation.

Ms. Reichgott, Messrs. Belanger, Luther, Johnson, D.J. and Finn introduced—

S.F. No. 181: A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers' compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivisions 1 and 1a; 268.04, subdivisions 7, 9, and by adding a subdivision; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03, subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions 3 and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.373, subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021.

Referred to the Committee on Judiciary.

Mr. Johnson, D.E.; Ms. Johnston, Messrs. Belanger, Knutson and Stevens introduced—

S.F. No. 182: 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 bonds and canceling previous authorizations; appropriating money, with certain conditions and reducing certain appropriations.

Referred to the Committee on Finance.

Mr. Knutson, Ms. Reichgott and Mr. Terwilliger introduced—

S.F. No. 183: A bill for an act relating to data practices; comprehensive law enforcement data; classifying photographs of certain incarcerated persons as public; amending Minnesota Statutes 1992, section 13.82, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Luther, Riveness, Chmielewski and Mrs. Benson, J.E. introduced—

S.F. No. 184: A bill for an act relating to recreational vehicles; regulating registration and operation of off-highway motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 84.91; 84.911; 85.018, subdivisions 2, 3, and 5; 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.

Ms. Olson, Messrs. Larson, Terwilliger, Ms. Robertson and Mr. Neuville introduced—

S.F. No. 185: A bill for an act relating to education; establishing the department of children and education services; creating youth apprenticeship programs; realigning responsibilities for education; financing education; appropriating money; amending Minnesota Statutes 1992, sections 15.01; 15.06, subdivision 1; 120.02, subdivisions 2, 8, and 12; 120.05, subdivision 2; 120.06, subdivision 3; 120.062, subdivisions 4, 5, and 8a; 120.0621; 120.064, subdivisions 3, 4, 6, 8, 9, 10, 14, 17, 18, 21, and 24; 120.0751; 120.095, subdivisions 3 and 5; 120.101, subdivisions 7 and 8; 120.102, subdivisions 3 and 4; 120.103, subdivision 4; 120.105; 120.17, subdivisions 3b, 7, 7a, 11a, 11b, 12, 14, 15, 16, and by adding subdivisions; 120.172, subdivision 2; 120.173, subdivisions 1 and 6; 120.181; 120.60; 120.61; 120.65; 120.66; 120.67; 120.75; 121.148, subdivision 3; 121.15, subdivisions 1, 3, 4, and 5; 121.155; 121.166; 121.201, subdivisions 1 and 2; 121.203, subdivision 1; 121.585, subdivisions 2, 7, and 8; 121.611, subdivision 1; 121.88, subdivision 7; 121.882, subdivisions 2b and 9; 121.901, subdivisions 1 and 2; 121.902; 121.904, subdivisions 4c, 4d, and 14; 121.911, subdivisions 1 and 5; 121.912, subdivision 6; 121.9121; 121.914, subdivisions 3, 5, and 6; 121.917, subdivision 4; 121.935, subdivisions 1, 1a, 2, 4, and 5; 121.936; 121.937; 122.21, subdivision 4; 122.22, subdivision 7; 122.23, subdivisions 3, 6, 8, and 10; 122.241, subdivision 3; 122.242, subdivisions 1 and 2; 122.243, subdivision 1; 122.247, subdivision 3; 122.91, subdivision 3; 122.93, subdivision 6; 122.94, subdivision 4; 122.945, subdivisions 1, 2, 3, 4, and 5; 123.34, subdivision 10; 123.35, subdivisions 7 and 17; 123.351, subdivisions 6, 8, and 9; 123.3513; 123.3514, subdivisions 4, 4a, 5, 6, 6b, 6c, and 8; 123.38, subdivision 3; 123.39, subdivisions 1, 8a, and by adding a subdivision; 123.58, subdivisions 6, 7, 8, and 9; 123.702, subdivisions 1, 1a, 1b, 3, and 5; 123.71, subdivision 1; 123.80, subdivision 1; 123.932, subdivision 7; 123.933, subdivision 1; 123.935, subdivision 1; 123.9361; 123.947; 124.08; 124.09; 124.10, subdivision 1; 124.14, subdivisions 1, 4, 6, and 7; 124.15, subdivisions 2a, 4, 5, and 7; 124.17, subdivisions 1, 2c, and by adding a subdivision; 124.19, subdivisions 4, 6, and 7; 124.223, subdivision 3; 124.225, subdivisions 1, 3a, 7b, 7d, 7e, and 8a; 124.226, subdivisions 3, 5, 9, and by adding a subdivision; 124.243, subdivision 6; 124.244, subdivision 1; 124.26, subdivision 2; 124.2601, subdivision 6; 124.261, subdivision 1; 124.2711, by adding a subdivision; 124.2713, subdivision 6, and by adding subdivisions; 124.2714; 124.2716; 124.2721, subdivisions 1 and 3; 124.2725, subdivisions 1, 2, 6, 10, and 13; 124.273, by adding subdivisions; 124.276, subdivision 3; 124.278, subdivision 1; 124.322, subdivisions 2, 3, 4, and by adding a subdivision; 124.332, subdivision 2; 124.38, by adding a subdivision; 124.41, subdivision 2; 124.431, subdivisions 6 and 7; 124.48, subdivisions 1 and 3; 124.481; 124.493, subdivision 3; 124.494, subdivisions 3 and 7; 124.573, subdivisions 2b, 3, 3a, and by adding subdivisions;

124.574, subdivisions 4 and 5; 124.575, subdivisions 1 and 3; 124.615, subdivisions 1 and 2; 124.62, subdivisions 1, 2, and 3; 124.625; 124.64; 124.645, subdivisions 1, 2, and 3; 124.69, subdivision 1; 124.79; 124.83, subdivisions 1, 2, 4, 6, and by adding a subdivision; 124.86, subdivision 3; 124.91, subdivision 3; 124.95, subdivision 1; 124.961; 124A.02, subdivisions 8 and 15; 124A.03, subdivisions 1e, 1f, 1i, and by adding subdivisions; 124A.22, subdivisions 2, 2a, 4, 8a, 8b, 9, and by adding subdivisions; 124A.23, subdivisions 1, 2, and by adding a subdivision; 124A.26, subdivision 1; 124A.27, subdivision 2; 124A.70, subdivision 1; 124C.12, subdivision 1; 124C.41, subdivision 4; 124C.46, subdivision 3; 124C.49; 125.05, subdivisions 1, 1c, 2, and 4; 125.06; 125.08; 125.09, subdivisions 1 and 4; 125.121, subdivision 1; 125.185, subdivisions 4a and 6; 125.1885, subdivisions 1, 3, 4, and 5; 125.62, subdivisions 2, 7, and 8; 125.702, subdivision 2; 126.12, subdivision 2; 126.151, subdivision 2; 126.21, subdivision 5; 126.22, subdivisions 2, 3, 3a, 4, and 6; 126.239, subdivision 3; 126.267; 126.268, subdivision 2; 126.36, subdivision 4; 126.49, subdivision 4; 126.52, subdivisions 5, 8, and 9; 126.531, subdivisions 1, 2, and 3; 126.54, subdivision 1; 126.56, subdivisions 4a, 6, and 7; 126.663, subdivisions 2 and 3; 126.664; 126.665; 126.67, subdivision 8; 126A.07, subdivision 1; 127.25, subdivision 1; 127.44; 128A.02; 128A.022; 128A.023; 128A.024, subdivision 2; 128A.025, subdivision 2; 128A.026, subdivisions 1 and 3; 128A.05, subdivisions 3 and 4; 128A.07, subdivision 2; 128A.09, subdivision 3; 128B.05, subdivision 4; 129C.10, subdivision 3; 135A.03, subdivisions 1 and 3a; 136A.08; 136A.101, subdivisions 2, 3, 4, and 5; 136A.121, subdivisions 2, 3, 5, 6, 7, 9, 13, 17, and by adding subdivisions; 136A.125; 136A.131; 136A.1311; 136A.134; 136A.1352; 136A.1353; 136A.1354; 136A.1355; 136A.1356; 136A.1357; 136A.15, subdivisions 3 and 4; 136A.16; 136A.162; 136A.17; 136A.1701; 136A.1702; 136A.171; 136A.172; 136A.173; 136A.174; 136A.175; 136A.177; 136A.179; 136A.23; 136A.232; 136A.233; 136A.234; 136A.26; 136A.29, subdivisions 3 and 4; 136A.42; 136A.62, subdivisions 2, 4, and 5; 136A.63; 136A.64; 136A.65; 136A.653, subdivision 1; 136A.657, subdivision 3; 136A.66; 136A.67; 136A.68; 136A.69; 136A.70; 136A.85; 136A.86; 136A.87; 136C.042, subdivision 1; 141.25, subdivision 8; 141.26, subdivision 5; 289A.08, by adding a subdivision; and 289A.50, by adding a subdivision; Laws 1991, chapter 356, article 9, section 8, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 124; 126; and 136A; proposing coding for new law as Minnesota Statutes, chapters 119A; and 122A; repealing Minnesota Statutes 1992, sections 120.0621, subdivision 5; 120.17, subdivision 11a; 120.183; 121.02, subdivisions 1, 2a, 3, and 4; 121.03; 121.04; 121.05; 121.06; 121.11, subdivisions 5, 6, 7, 8, 9, 11, 12, 13, 14, and 15; 121.14; 121.1502; 121.16, subdivision 1; 121.161; 121.162; 121.165; 121.17; 121.19; 121.48; 121.49, subdivision 1; 121.496, subdivisions 2 and 3; 121.608; 121.609; 121.612, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; 121.87, subdivisions 1, 1a, and 3; 121.883; 121.918; 121.93; 121.931; 121.932, subdivisions 2, 3, 4, and 5; 121.933, subdivision 1; 121.934; 121.94; 121.941; 121.942; 121.943; 124.197; 124.2601, subdivisions 4 and 5; 124.2721, subdivisions 2 and 4; 124.32, subdivision 5; 124.573, subdivisions 2c and 2d; 124.575, subdivisions 2 and 4; 124.62; 124A.26, subdivision 1a; 125.185, subdivisions 7, 9, and 10; 125.187; 125.188; 126.22, subdivision 2a; 136A.01; 136A.02; 136A.03; 136A.04; 136A.041; 136A.0411; 136A.043; 136A.05; 136A.06; and 136A.07; Laws 1988, chapter 486, section 59.

Referred to the Committee on Education.



Ms. Piper introduced—

S.F. No. 186: A bill for an act relating to marriage dissolution; requiring more information on the notice to a public authority; amending Minnesota Statutes 1992, section 518.551, subdivision 5.

Referred to the Committee on Judiciary.

Ms. Pappas, Mr. Mondale, Ms. Flynn and Mr. Novak introduced—

S.F. No. 187: A bill for an act relating to transportation; creating a Minnesota mobility trust fund and a surface transportation fund; imposing a tax on motor fuel sales at retail and requiring all proceeds to be deposited in the Minnesota mobility trust fund; amending Minnesota Statutes 1992, sections 174.32, subdivision 2; 297A.25, subdivision 7; and 297A.44, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Ms. Runbeck and Mr. Johnson, D.E. introduced—

S.F. No. 188: A bill for an act relating to the organization and operation of state government; appropriating money for jobs and commerce, to departments and agencies, with certain conditions; providing for regulation of certain activities and practices; providing for certain rights-of-way; fixing and limiting accounts and fees; amending Minnesota Statutes 1992, sections 10A.21, subdivision 1; 10A.322, subdivision 4, and by adding a subdivision; 11A.21, subdivision 1; 16B.06, subdivision 2a; 59A.02, subdivision 3; 60A.14, subdivision 1; 60K.06; 60K.19, subdivision 8; 82.20, subdivisions 7 and 8; 82.21, subdivision 1, and by adding a subdivision; 82.22, subdivision 13; 82.34, subdivisions 3 and 4; 116J.617; 116L.03, subdivision 7; 155A.08, subdivision 3; 161.081; 161.39, by adding a subdivision; 169.121, subdivision 7; 169.123, subdivision 5a; 171.02, subdivision 1; 171.06, subdivision 2; 171.11; 171.22, subdivision 1; 174.02, by adding a subdivision; 237.295, subdivision 2, and by adding a subdivision; 239.011, subdivision 2; 239.10; 239.80, subdivisions 1 and 2; 268.022; 268.975; 268.978; 268.98; 345.41; 345.42, subdivisions 2 and 3; 359.01, subdivision 3; 359.02; 386.61, by adding a subdivision; 386.65; 386.66; 386.67; 386.68; and 386.69; proposing coding for new law in Minnesota Statutes, chapters 45; 116M; 239; 268; and 386; repealing Minnesota Statutes 1992, sections 10A.21, subdivisions 2 and 3; 171.20, subdivision 1; 239.52; 239.78; 268.977; 296.01, subdivision 4; 296.025, subdivision 1a; 296.026; 386.61, subdivision 3; 386.63; 386.64; and 386.70.

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

#### MEMBERS EXCUSED

Messrs. Mondale and Price were excused from the Session of today.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 3:00 p.m., Tuesday, February 9, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWELFTH DAY

St. Paul, Minnesota, Tuesday, February 9, 1993

The Senate met at 3:00 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, Monsignor Ambrose V. Hayden.

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

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.

August 7, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

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

## STATE UNIVERSITY BOARD

Nancy Alfton, 2555 Kyle Ave. N., Golden Valley, Hennepin County, has been appointed by me, effective August 15, 1992, for a term expiring on the first Monday in January, 1996.

(Referred to the Committee on Education.)

January 6, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## STATE UNIVERSITY BOARD

Corey Elmer, 509 State St., Evansville, Douglas County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1995.

Christine Fritsche, Rt. 4, Box 79, Marshall, Lyon County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1997.

Rod Searle, R.R. 1, Box 44, Waseca, Waseca County, has been appointed by me, effective January 11, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

Warmest regards,  
Arne H. Carlson, Governor

February 1, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	11	2	2:35 p.m. January 29	January 29

Sincerely,  
Joan Anderson Growe  
Secretary of State

### 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 for proper reference under Rule 54:

Governor's Appointment Letter dated April 8, 1991, submitting an appointment to the Minnesota World Trade Center Corporation Board of Directors, reported in the Journal for January 19, 1993.

Reports the same back with the recommendation that the letter be re-referred to the Committee on Jobs, Energy and Community Development.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred for proper reference under Rule 54:

Governor's Appointment Letter dated July 16, 1991, submitting an appointment as Chair of the Board of Water and Soil Resources, reported in the Journal for January 19, 1993.

Reports the same back with the recommendation that the letter be re-referred to the Committee on Environment and Natural Resources.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred for proper reference under Rule 54:

Governor's Appointment Letter dated November 5, 1991, submitting an appointment to the Minnesota Environmental Quality Board, reported in the Journal for January 19, 1993.

Reports the same back with the recommendation that the letter be re-referred to the Committee on Environment and Natural Resources.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S.F. No. 11 reports the same back with the recommendation that the bill be re-referred as follows:

S.F. No. 11 to the Committee on Environment and Natural Resources.

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. 52: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy.

Reports the same back with the recommendation that the report from the Committee on Education, shown in the Journal for February 1, 1993, be amended to read:

"the bill be amended 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 Care, to which was referred

S.F. No. 20: A bill for an act relating to ambulance service personnel; establishing an ambulance service personnel longevity award and incentive program; imposing a driver's license surcharge; appropriating money; amending Minnesota Statutes 1992, section 171.06, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 144C.

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

Page 5, line 1, delete "2b" and insert "2c"

Page 5, line 8, after the period, insert "*Amounts necessary to pay the ambulance service personnel longevity award are appropriated from the ambulance service personnel longevity award and incentive trust account to the commissioner of health.*"

Page 5, after line 20, insert:

"Subd. 3. [ADMINISTRATION EXPENSES.] *The amount necessary to pay the expenses of administering the ambulance service longevity award and incentive program is appropriated from the trust account established under section 144C.03 to the commissioner of health. This appropriation may not exceed three percent of the annual proceeds of the driver's license surcharge imposed under section 171.06, subdivision 2c.*"

Page 6, line 2, delete "2b" and insert "2c"

Page 7, line 24, delete "finance" and insert "health"

Page 8, delete lines 9 to 15

Page 8, line 16, delete "3" and insert "2"

Page 8, line 24, after "commissioner" insert "of health"

Page 8, line 31, delete "driver's license" and insert "drivers' licenses"

Page 9, delete lines 3 to 17 and insert:

"Subdivision 1. *\$40,000 is appropriated from the ambulance service personnel longevity award and incentive trust account to the commissioner of health to administer the ambulance service personnel longevity award and incentive program for fiscal year 1994.*

Subd. 2. *\$45,000 is appropriated from the ambulance service personnel longevity award and incentive trust account to the commissioner of health to redesign and consolidate the volunteer ambulance attendant reimbursement data base, to establish the data base for the personnel longevity award and incentive program, and to purchase computer equipment for fiscal year 1994.*"

Page 9, line 19, delete "and" and after "11" insert ", and 12"

Page 9, line 20, delete "Section 8 is" and insert "Sections 5, subdivision 3, and 8 are" and delete everything after the second period

Page 9, delete line 21

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

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

S.F. No. 44: A bill for an act relating to trusts; making certain trust provisions related to public assistance eligibility unenforceable as against public policy; clarifying availability of trusts in determining eligibility for medical assistance and other benefit programs; defining supplemental needs trusts; clarifying enforceability of supplemental needs trusts; amending Minnesota Statutes 1992, section 501B.89.

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 1992, section 501B.89, is amended to read:

501B.89 [~~EXCULPATORY CLAUSES~~ TRUST PROVISIONS LINKED TO PUBLIC ASSISTANCE ELIGIBILITY UNENFORCEABLE; SUPPLEMENTAL NEEDS TRUSTS.]

*Subdivision 1. [TRUSTS CONTAINING LIMITATIONS LINKED TO ELIGIBILITY FOR PUBLIC ASSISTANCE.] (a) Except as allowed by subdivision 2, a provision in a trust created after July 1, 1992, purporting to make assets or income unavailable to a beneficiary that provides for the suspension, termination, limitation, or diversion of the principal, income, or beneficial interest of a beneficiary if the beneficiary applies for or is determined eligible for, or receives public assistance or a public health care program is unenforceable as against the public policy of this state, without regard to the irrevocability of the trust or the purpose for which the trust was created.*

*(b) This subdivision applies to trust provisions created after July 1, 1992. For purposes of this section, a trust provision is created on the date of execution of the first instrument that contains the provision, even though the trust provision is later amended or reformed or the trust is not funded until a later date.*

*Subd. 2. [SUPPLEMENTAL TRUSTS FOR PERSONS WITH DISABILITIES.] (a) For purposes of this subdivision, a “supplemental needs trust” is a trust created for the benefit of a person with a disability and funded by someone other than the trust beneficiary, the beneficiary’s spouse, or anyone obligated to pay any sum for damages or any other purpose to or for the benefit of the trust beneficiary under the terms of a settlement agreement or judgment.*

*(b) For purposes of this subdivision, a “person with a disability” means a person who, prior to application for medical assistance benefits or other publicly funded benefits provided without regard to disability, has qualified as a disabled person or a person with a disability:*

*(1) under the criteria used by the Title II program of the Social Security Act;*  
or

(2) under criteria used to establish disability for the purposes of any other publicly funded benefit program.

If no determination of disability is made prior to a person's application for medical assistance benefits or other publicly funded benefits provided without regard to disability, a person may qualify as a "person with a disability" if the person has a physical or mental impairment that substantially limits one or more of the major life activities of the person, within the meaning of the applicable terms, conditions, definitions, and criteria established under the federal Americans with Disabilities Act, United States Code, title 42, sections 12101 to 12213, as determined by the state or local agency that is reviewing the terms of the person's supplemental needs trust in connection with the person's application for benefits.

(c) Subject to the restrictions contained in this paragraph, a supplemental needs trust may authorize distributions to provide for all or any portion of the reasonable living expenses of the beneficiary. A supplemental needs trust must allow or require distributions only in ways and for purposes that supplement or complement the benefits available under medical assistance, general assistance medical care, Minnesota supplemental aid, MinnesotaCare, and other publicly funded benefit programs. A supplemental needs trust must contain provisions that prohibit disbursements that would have the effect of replacing, reducing, or substituting for publicly funded benefits otherwise available to the beneficiary or rendering the beneficiary ineligible for publicly funded benefits.

(d) A supplemental needs trust shall be enforced by the courts of this state if submitted to the court. However, nothing in this subdivision requires submission of a supplemental needs trust to a court for interpretation or enforcement. A supplemental needs trust is not enforceable if the trust beneficiary becomes a patient or resident after age 64 in a state institution or extended care facility for six months or more and, due to the beneficiary's medical need for care in an institutional setting, there is no reasonable expectation that the beneficiary will ever be discharged from the institution or facility. For purposes of this paragraph "reasonable expectation" means that the beneficiary's attending physician has certified that the expectation is reasonable. For purposes of this paragraph, a beneficiary participating in a group residential program is not deemed to be a patient or resident in a state institution or extended care facility. The trust income and assets are considered available to the beneficiary for medical assistance purposes to the extent they are considered available to the beneficiary under medical assistance, supplemental security income, or aid to families with dependent children methodology, whichever is used to determine the beneficiary's eligibility for general assistance medical care, Minnesota supplemental aid, MinnesotaCare, or medical assistance. For other public assistance programs established or administered under state law, assets and income will be considered available to the beneficiary in accordance with the methodology applicable to the program.

(e) Paragraphs (a) to (d) apply to supplemental needs trusts whenever created.

## Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective retroactive to July 1, 1992."

And when so amended the bill do pass and be re-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

S.F. No. 127: A bill for an act relating to the legislature; permitting the legislative coordinating commission to accept grants and gifts for public purposes; appropriating the grants and gifts; amending Minnesota Statutes 1992, section 3.305, by adding a subdivision.

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. 1: A bill for an act relating to the legislature; providing for the designation of successor legislative committees; proposing coding for new law in Minnesota Statutes, chapter 3.

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

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

S.F. No. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; proposing coding for new law as Minnesota Statutes, chapter 145C.

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

Page 1, line 23, delete "*provided*"

Page 1, line 24, after the period, insert "*Health care does not include intrusive mental health treatment as defined in section 253B.03, subdivision 6b, unless the durable power of attorney for health care specifically applies to decisions relating to intrusive mental health treatment.*"

Page 2, lines 21, 24, 32, 34, and 35, delete "*shall*" and insert "*must*"

Page 2, line 26, delete "*sections 1 to 14*" and insert "*this chapter*"

Page 3, line 7, delete "*shall not be*" and insert "*are not*"

Page 3, line 8, before the colon, insert "*, unless the person designated is related to the principal by blood, marriage, registered domestic partnership, or adoption*"

Page 3, line 11, delete the comma and insert a period

Page 3, delete lines 12 and 13

Page 3, line 16, delete "*shall*" and insert "*may*"

Page 3, line 19, delete "*shall*" and insert "*must*"

Page 3, line 35, before the period, insert "*and my agent consents to make the decision on my behalf*"



Page 4, line 7, after the period, insert "*I understand that this document authorizes but does not require my agent to make health care decisions for me.*"

*My agent and any alternative agents have consented to act as my agent. My agent and any alternative agents have been notified that they will be nominated as a guardian or conservator for me."*

Page 4, lines 13 and 14, delete "*In addition to the foregoing,*"

Page 4, line 15, delete "*the provisions of*"

Page 4, line 16, delete "*but not limited to*"

Page 4, delete lines 20 to 22

Page 4, line 23, delete "(3)" and insert "(2)"

Page 4, line 25, delete "(4)" and insert "(3)"

Page 4, line 29, delete "(5)" and insert "(4)"

Page 4, line 32, before "A" insert "*(a) Except as provided in paragraph (b),*"

Page 4, line 35, before the period, insert "*and the agent consents to make the decision*"

Page 4, after line 35, insert:

*"(b) If the principal states in the durable power of attorney that the principal does not have an attending physician because the principal in good faith generally selects and depends upon spiritual means or prayer for the treatment or care of disease or remedial care, the principal may designate a person in the durable power of attorney for health care who may certify in a writing acknowledged before a notary public that the principal is unable to make a health care decision. The requirements of section 3, subdivisions 2 and 3, relating to the eligibility of a health care provider attending the principal or the provider's employee to act as an agent or witness apply to a person designated under this paragraph."*

Page 5, line 4, after the period, insert "*The agent does not have authority to consent to a voluntary commitment under chapter 253B.*"

Page 5, line 12, after "145B" insert "*or in a declaration regarding intrusive mental health treatment under section 253B.03, subdivision 6d*"

Page 5, line 17, after the period, insert "*The agent does not have an affirmative duty to exercise the authority conferred by the durable power of attorney for health care.*"

Page 5, line 21, delete "*shall be*" and insert "*is*"

Page 5, line 25, delete "*and*" and insert "*or section 253B.03, subdivision 6d, or*"

Page 5, line 26, delete "*shall take*" and insert "*takes*"

Page 5, line 28, after "*section*" insert "*253B.03, subdivision 6d, or*"

Page 5, line 29, delete "*shall*"

Page 6, line 7, delete "(a)" and insert "(1)"

Page 6, line 12, delete "(b)" and insert "(2)"

Page 6, line 15, delete "(c)" and insert "(3)"

Page 6, line 18, delete "(d)" and insert "(4)"

Page 6, line 32, delete "shall be" and insert "is"

Page 7, line 1, delete "shall be" and insert "is"

Page 7, line 14, after "145B" insert "or in a declaration regarding intrusive mental health treatment under section 253B.03, subdivision 6d"

Page 7, line 30, delete "both of"

Page 7, line 31, delete the period and insert a colon

Page 7, line 32, delete "(a) The" and insert "(1) the"

Page 7, line 35, delete the period and insert "; and"

Page 7, line 36, delete "(b) The" and insert "(2) the"

Page 8, line 6, delete "such" and insert "that"

Page 8, lines 15 and 19, delete "shall" and insert "may"

Page 8, line 17, delete the first comma

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

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

S.F. No. 48: A bill for an act relating to real property; providing for recordation of mortgage satisfaction or release following change in identity of corporate mortgagee or assignee; providing procedures for interested person to file for record a request for notice of mortgage foreclosure; allowing postponement of foreclosure sale by party conducting the foreclosure; providing that certain forfeitures of real property are subject to interests of good faith purchasers; amending Minnesota Statutes 1992, sections 507.411; 580.032, subdivision 1; 580.07; and 609.5311, subdivision 3.

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

Page 2, line 21, after the period, insert "A request for notice under this section filed on or after August 1, 1992, and prior to August 1, 1993, that is not a separate and distinct document, or incorporated in a mechanic's lien statement filed for record pursuant to section 514.08, ceases to be a request for notice on June 30, 1994, unless a supplemental request for notice that complies with this section and states the recording information, including document number of the original request for notice, is filed before July 1, 1994."

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 13: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, section 168.125, subdivision 1.

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

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1992, section 168.031, is amended to read:

168.031 [EXEMPTION FROM REGISTRATION; PERSONS IN ARMED FORCES, DISABLED VETERANS, *FORMER PRISONERS OF WAR.*]

The motor vehicle of any person who engages in active service in time of war or other emergency declared by proper authority in any of the military or naval forces of the United States shall be exempt from the motor vehicle registration tax during the period of such active service and for 40 days immediately thereafter if the owner has filed with the registrar of motor vehicles a written application for exemption with such proof of military service as the registrar may have required and if the motor vehicle is not operated on a public highway within the state, except by the owner while on furlough or leave of absence.

The motor vehicle of any disabled war veteran, which vehicle has been furnished free, in whole or in part, by the United States government to said disabled veteran, shall be exempt from the motor vehicle registration tax. *The motor vehicle owned and registered by a former prisoner of war that bears the “EX-POW” plates is exempt from the motor vehicle registration tax.*

Sec. 2. Minnesota Statutes 1992, section 168.12, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL FEE.] In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee that is calculated to cover the cost of manufacturing and issuing the license plate or plates, except for license plates issued to disabled veterans as defined in section 168.031 and license plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.”

Page 2, line 22, before the period, insert “of motor vehicles”

Page 2, line 24, after “issue” insert “free of charge”

Page 2, line 29, after the period, insert “No fee may be charged for replacement plates issued to a surviving spouse or for tabs or stickers issued for the motor vehicle on which the special “EX-POW” plates are placed. A surviving spouse is not exempt from the motor vehicle registration tax.”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 168.031; 168.12, subdivision 5; and"

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

### SECOND READING OF SENATE BILLS

S.F. Nos. 127 and 48 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 1 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Marty moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 25. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 52. The motion prevailed.

Mr. Merriam moved that the name of Mr. Marty be added as a co-author to S.F. No. 102. The motion prevailed.

Mr. Moe, R.D. moved that the name of Mr. Larson be added as a co-author to S.F. No. 111. The motion prevailed.

Mr. Chmielewski moved that the the names of Messrs. Neuville, Stevens and Larson be added as co-authors to S.F. No. 165. The motion prevailed.

Mr. Lessard moved that the name of Mr. Sams be added as a co-author to S.F. No. 172. The motion prevailed.

Mr. Merriam moved that the name of Mr. Murphy be added as a co-author to S.F. No. 177. The motion prevailed.

Mr. Knutson moved that the name of Mr. Belanger be added as a co-author to S.F. No. 183. The motion prevailed.

Ms. Piper moved that the name of Ms. Berglin be added as a co-author to S.F. No. 186. The motion prevailed.

Mr. Mondale moved that S.F. No. 41 be withdrawn from the Committee on Transportation and Public Transit and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

Mr. Larson introduced—

Senate Resolution No. 22: A Senate resolution congratulating John Claussen of Fergus Falls, Minnesota, on his 100th birthday, February 21, 1993.

Referred to the Committee on Rules and Administration.

Messrs. McGowan; Luther; Moe, R.D. and Betzold introduced—

Senate Resolution No. 23: A Senate resolution honoring Dr. Marl E. Ramsey, superintendent of Osseo School District 279, on being named 1993 Minnesota Superintendent of the Year.

Referred to the Committee on Rules and Administration.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Stumpf, Finn, Sams and Moe, R.D. introduced—

S.F. No. 189: A bill for an act relating to elections; permitting cities to use mail ballots in county and state elections; amending Minnesota Statutes 1992, section 204B.45, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Cohen introduced—

S.F. No. 190: A bill for an act relating to government data practices; providing that criminal history data is public; providing that a record of conviction of certain crimes prevents an individual from obtaining a foster care license; amending Minnesota Statutes 1992, sections 13.87, subdivision 2; and 245A.04, subdivision 3.

Referred to the Committee on Crime Prevention.

Messrs. Cohen, Murphy, Mses. Krentz, Wiener and Mr. Chandler introduced—

S.F. No. 191: A bill for an act proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equality of rights under the law for men and women.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 192: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Aitkin county.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram and Mrs. Benson, J.E. introduced—

S.F. No. 193: A bill for an act relating to corrections; appropriating money to provide subsidy funds for Stearns county under the community corrections subsidy program.

Referred to the Committee on Crime Prevention.

Mr. Pogemiller introduced—

S.F. No. 194: A bill for an act relating to campaign reform; prohibiting the transfer of money from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; providing that a candidate receive the opponent's public subsidy if the opponent does not agree to spending limits; requiring that recipients of public subsidies agree not to raise campaign money from political committees that exceed one-half of total

contributions to the candidate; requiring that a candidate raise within the candidate's district 50 percent of the matching amount necessary to receive a public subsidy; increasing late filing fees; clarifying certain reporting requirements; requiring the retention of records by lobbyists and principals; amending Minnesota Statutes 1992, sections 6.76; 10A.01, subdivisions 25 and 26; 10A.03, subdivision 2; 10A.04, subdivisions 5 and 7; 10A.065, subdivision 3; 10A.09, subdivisions 2 and 7; 10A.14, subdivision 2; 10A.19, subdivision 1; 10A.20, subdivision 12; 10A.23; 10A.25, subdivision 10; 10A.27, subdivision 9; 10A.322, by adding a subdivision; 10A.323; 10A.324, by adding a subdivision; and 383B.053, subdivision 1; repealing Minnesota Statutes 1992, section 10A.25, subdivision 2a.

Referred to the Committee on Ethics and Campaign Reform.

Mrs. Pariseau, Messrs. Metzen and Knutson introduced—

S.F. No. 195: A bill for an act relating to crime; controlled substances; increasing penalties for sale or possession of lysergic acid diethylamide in a school, park, or public housing zone; amending Minnesota Statutes 1992, sections 152.022, subdivision 1; and 152.023, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Solon introduced—

S.F. No. 196: A bill for an act relating to human services; expanding the exemption for nursing facilities licensed under Minnesota Rules, parts 9570.2000 to 9570.3600; amending Minnesota Statutes 1992, section 256B.431, subdivision 2b.

Referred to the Committee on Health Care.

Messrs. Belanger, Terwilliger, Ms. Robertson and Mr. Oliver introduced—

S.F. No. 197: A bill for an act relating to the financing of government in this state; providing procedures for voter ratification of proposed increased employee costs of local governments; changing certain aids to local governments; limiting appropriations; appropriating money; amending Minnesota Statutes 1992, sections 16A.711, subdivision 5; 16A.712; 69.031, subdivision 3; 256E.06, subdivision 12; 273.1398, subdivision 2; 275.065, subdivision 5a, and by adding a subdivision; 477A.013, subdivisions 1, 3, and 5; 477A.03, subdivision 1; and 611.27, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 275; repealing Minnesota Statutes 1992, section 477A.0121.

Referred to the Committee on Metropolitan and Local Government. Mr. Belanger questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Johnson, D.E.; Stevens and Day introduced—

S.F. No. 198: A bill for an act relating to local improvements; setting limits for certain contract requirements; amending Minnesota Statutes 1992, section 429.041, subdivisions 1 and 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Larson, Mrs. Benson, J.E.; Ms. Lesewski and Mr. Vickerman introduced—

S.F. No. 199: A bill for an act relating to education; abolishing the higher education board; amending Minnesota Statutes 1992, sections 15A.081, subdivision 7b; and 179A.10, subdivision 2; repealing Minnesota Statutes 1992, sections 136E.01; 136E.02; 136E.03; 136E.04; and 136E.05; and Laws 1991, chapter 356, article 9, sections 8, 9, 10, 11, 12, 13, and 14.

Referred to the Committee on Education.

Messrs. Cohen, Kelly, Mses. Pappas and Anderson introduced—

S.F. No. 200: A bill for an act relating to the metropolitan sports facilities commission; clarifying the authority of the commission over certain facilities; amending Minnesota Statutes 1992, section 473.556, subdivision 5.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Hottinger, Luther, Solon and Larson introduced—

S.F. No. 201: A bill for an act relating to insurance; automobile; regulating medical expense benefits; authorizing reparation obligors to offer medical expense benefits through certified managed care plans; authorizing the commissioner of commerce to certify these plans; requiring appropriate premium reductions; amending Minnesota Statutes 1992, section 65B.49, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 65B.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Belanger, Terwilliger, Mses. Robertson, Lesewski and Mr. Oliver introduced—

S.F. No. 202: A bill for an act relating to taxation; providing for state and local tax incentives for certified small businesses; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 290A; 297A; and 469.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Adkins introduced—

S.F. No. 203: A bill for an act relating to human services; providing low-interest loans to families with children who are developmentally disabled; amending Minnesota Statutes 1992, section 252.32, subdivision 1, and by adding a subdivision.

Referred to the Committee on Family Services.

Mrs. Adkins introduced—

S.F. No. 204: A bill for an act relating to education; approving a maximum effort school loan program capital loan; authorizing state bonds; appropriating money.

Referred to the Committee on Education.

Messrs. Bertram, Sams, Dille, Ms. Hanson and Mr. Vickerman introduced—

S.F. No. 205: A bill for an act relating to agriculture; extending the farmer-lender mediation program; appropriating money; amending Laws 1986, chapter 398, article 1, section 18, as amended.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Cohen, Kelly, Ms. Anderson and Mr. Chandler introduced—

S.F. No. 206: A bill for an act relating to metropolitan government; providing for the organization and membership of the metropolitan sports facilities commission; amending Minnesota Statutes 1992, section 473.553, subdivision 1; repealing Minnesota Statutes 1992, section 473.553, subdivisions 2, 3, 4, 4a, and 5.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Finn, Betzold, Ms. Piper, Mr. Sams and Ms. Kiscaden introduced—

S.F. No. 207: A bill for an act relating to occupations and professions; boards of social work and marriage and family therapy; clarifying data classifications and providing certain immunities for supervisors and persons reporting violations; changing board membership; adding certain licensing requirements to the board of social work; amending Minnesota Statutes 1992, sections 13.99, subdivision 49; 148B.04, by adding subdivisions; 148B.08, subdivision 1, and by adding a subdivision; 148B.18, subdivisions 8 and 10; 148B.19, subdivisions 1 and 2; 148B.21, subdivisions 3, 4, 5, 6, and by adding a subdivision; 148B.26, subdivision 1; 148B.27, by adding a subdivision; and 148B.28, subdivision 2.

Referred to the Committee on Health Care.

Messrs. Kelly, McGowan, Chandler, Ms. Krentz and Mr. Betzold introduced—

S.F. No. 208: A bill for an act relating to crime; imposing a felony penalty for recklessly discharging a firearm from a passenger vehicle; providing for forfeiture of vehicle used in drive-by shooting; amending Minnesota Statutes 1992, sections 609.531, subdivision 1; 609.5314, subdivision 1; and 609.66, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Mr. Beckman introduced—

S.F. No. 209: A bill for an act relating to education; modifying the capital expenditure health and safety levy; amending Minnesota Statutes 1992, sections 124.243, subdivision 1; and 124.83, subdivision 4, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Beckman introduced—



S.F. No. 210: A bill for an act relating to compulsive gambling; specifying grantees; appropriating money; amending Minnesota Statutes 1992, section 245.98, subdivision 2.

Referred to the Committee on Health Care.

Mr. Chandler, Ms. Reichgott, Messrs. Marty and Murphy introduced—

S.F. No. 211: A bill for an act relating to employee relations; permitting the commissioner of the department of employee relations to conduct experimental or research projects to improve human resource management practices; providing for the use of facsimile machines in certain circumstances; eliminating the career executive service; amending Minnesota Statutes 1992, sections 13.67; 43A.04, subdivision 9; 43A.21, subdivision 3; and 43A.32, subdivision 2; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

Referred to the Committee on Governmental Operations and Reform.

Mr. Cohen, Ms. Reichgott, Messrs. Sams, Day and Ms. Krentz introduced—

S.F. No. 212: A bill for an act relating to taxation; increasing certain tax rates for support of nonprofit arts organizations; providing for distribution of tax proceeds; amending Minnesota Statutes 1992, sections 129D.01; 297A.02, by adding subdivisions; 297A.44, subdivision 1; 349A.10, subdivision 5; and Laws 1986, chapter 396, section 5; proposing coding for new law in Minnesota Statutes, chapter 129D.

Referred to the Committee on Veterans and General Legislation.

Mr. Samuelson introduced—

S.F. No. 213: A bill for an act relating to recreation; establishing a Cuyuna country state recreation area; establishing a new unit in the outdoor recreation system; appropriating money; amending Minnesota Statutes 1992, sections 85.045, subdivision 2; 86A.04; 86A.05, subdivisions 2 and 3; and 86A.08, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Stumpf and Murphy introduced—

S.F. No. 214: A bill for an act relating to ambulance service personnel; establishing an ambulance service personnel longevity award and incentive program; imposing a driver's license surcharge; appropriating money; amending Minnesota Statutes 1992, section 171.06, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 144C.

Referred to the Committee on Health Care.

Mr. Betzold introduced—

S.F. No. 215: A bill for an act relating to courts; providing that the county law library fee may be collected in petty misdemeanor cases; amending Minnesota Statutes 1992, sections 134A.09, subdivision 2a; and 134A.10, subdivisions 3 and 4.

Referred to the Committee on Crime Prevention.

Ms. Ranum introduced—

S.F. No. 216: A bill for an act relating to domestic abuse; clarifying requirements for law enforcement domestic abuse arrest policies; amending Minnesota Statutes 1992, section 629.342, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Janezich and Johnson, D.J. introduced—

S.F. No. 217: A bill for an act relating to education; providing for special consolidation aid; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Ms. Wiener and Mr. Stumpf introduced—

S.F. No. 218: A bill for an act relating to retirement; Eagan volunteer firefighters' relief association; increasing flexible service pension maximums.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Benson, D.D.; Stevens; Frederickson; Ms. Lesewski and Mr. Dille introduced—

S.F. No. 219: A bill for an act relating to taxation; property; modifying the method of determining certain adjusted net tax capacity; modifying the method of determining agricultural market value for property tax purposes; amending Minnesota Statutes 1992, sections 124.2131, subdivision 1; and 273.11, subdivision 10.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse, Ms. Flynn, Messrs. Johnson, D.J.; Dille and Benson, D.D. introduced—

S.F. No. 220: A bill for an act relating to natural resources; resolving claims raised by the Mille Lacs band of Chippewa regarding hunting, fishing, and gathering rights under treaty; authorizing sports fishing in treaty fishing zone for non-band members pursuant to band code; non-band harvest under band permit; authority to transfer land; compensation to counties; resort acquisition; condemnation authority; resolving issues through negotiated settlement; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Mses. Robertson, Lesewski, Messrs. Stevens; Johnson, D.E. and Ms. Olson introduced—

S.F. No. 221: A bill for an act relating to crime; creating the crimes of stalking and aggravated stalking; authorizing warrantless arrests of alleged stalkers; requiring arrest and detention of alleged stalkers in lieu of release on citation; providing for conditions of pretrial release; providing penalties;

amending Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 629.34, subdivision 1; and 629.72; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Ms. Berglin introduced—

S.F. No. 222: A bill for an act relating to human services; authorizing the Minnesota housing finance agency to finance residential care facilities for elderly or physically infirm or impaired persons; appropriating money; amending Minnesota Statutes 1992, sections 462A.02, by adding a subdivision; 462A.03, subdivisions 7 and 19; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; and 462A.22, subdivision 1.

Referred to the Committee on Health Care.

Messrs. Samuelson, Sams, Finn, Murphy and Moe, R.D. introduced—

S.F. No. 223: A bill for an act relating to human services; providing a salary increase for development achievement center employees; amending Minnesota Statutes 1992, section 252.24, subdivision 5.

Referred to the Committee on Health Care.

Messrs. Pogemiller, Price, Meses. Hanson, Ranum and Robertson introduced—

S.F. No. 224: A bill for an act relating to the Minnesota Humanities Commission; appropriating money for the Institute for the Advancement of Teaching.

Referred to the Committee on Education.

Messrs. Metzen and Solon introduced—

S.F. No. 225: A bill for an act relating to worker's compensation; regulating eligibility for assigned risk plan coverage; amending Minnesota Statutes 1992, section 79.252, subdivision 1.

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

Mr. Kelly, Ms. Anderson, Messrs. Chandler, Cohen and Ms. Pappas introduced—

S.F. No. 226: A bill for an act relating to taxation; providing for manufacturing opportunity districts in certain cities; providing tax credits and exemptions for certain industries located in a manufacturing opportunity district; proposing coding for new law in Minnesota Statutes, chapter 469.

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

Ms. Berglin, Messrs. Samuelson, Sams, Ms. Johnson, J.B. and Mr. Frederickson introduced—

S.F. No. 227: A bill for an act relating to human services; requiring the commissioner of health to cooperate with the commissioner of human services in securing federally qualified health center designation for two clinics;

delegating leasing authority to the commissioner of human services; authorizing use of enhanced waived services funds to lease and operate state-operated, community-based programs; requiring expansion of state-operated, community-based programs; requiring designated staff for crisis services; appropriating money; amending Minnesota Statutes 1992, sections 144.05; 245.036; and 252.50, subdivisions 1, 7, and by adding subdivisions.

Referred to the Committee on Health Care.

Mses. Reichgott, Pappas, Messrs. Pogemiller, Neuville and Johnson, D.J. introduced—

S.F. No. 228: A bill for an act relating to taxation; sales and use; exempting sales to certain libraries; amending Minnesota Statutes 1992, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf, Finn and Frederickson introduced—

S.F. No. 229: A bill for an act relating to watercraft; mirror requirements for watercraft towing persons on various devices; amending Minnesota Statutes 1992, section 86B.313, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Johnson, D.E. and Knutson introduced—

S.F. No. 230: A bill for an act relating to human services; allowing certain intra-family sales of nursing facilities upon the death, disability, or retirement of the owner; amending Minnesota Statutes 1992, section 256B.431, subdivision 14.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 231: A bill for an act relating to health; modifying and providing funding for the moratorium exception approval process; modifying procedures for resident appeals; classifying certain expenditures as allowable costs; requiring a study of income divestiture; appropriating money; amending Minnesota Statutes 1992, sections 144A.073, subdivision 2; 144A.135; and 256B.431, subdivision 21, and by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Kelly, Novak, Ms. Anderson, Messrs. Kroening and Luther introduced—

S.F. No. 232: A bill for an act relating to housing; providing for the financing of blighted residential property acquisition and rehabilitation, rental assistance, youth training and education on housing projects, the home ownership assistance program, and the housing trust fund; appropriating money.

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

Mr. Janezich, Mrs. Adkins, Messrs. Hottinger; Benson, D.D. and Ms. Wiener introduced—

S.F. No. 233: A bill for an act relating to local government; providing for the publication of certain accounts and delinquent property tax information; amending Minnesota Statutes 1992, sections 279.09; 281.13; 281.23, subdivision 3; and 375.17.

Referred to the Committee on Metropolitan and Local Government.

Mr. Finn introduced—

S.F. No. 234: A bill for an act relating to juvenile justice; defining "child in need of protection services" and "child abuse"; amending Minnesota Statutes 1992, section 260.015, subdivision 2a, and by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Frederickson and Hottinger introduced—

S.F. No. 235: A bill for an act relating to state lands; directing release of a reversionary interest in certain state lands conveyed to the city of St. Peter.

Referred to the Committee on Environment and Natural Resources.

Ms. Anderson, Mr. Frederickson, Ms. Johnson, J.B.; Messrs. Chandler and Metzen introduced—

S.F. No. 236: A bill for an act relating to unemployment compensation; allowing benefits to certain individuals separated from employment to avoid domestic abuse; amending Minnesota Statutes 1992, section 268.09, subdivision 1.

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

Messrs. Berg, Bertram and Dille introduced—

S.F. No. 237: A bill for an act relating to agriculture; directing the commissioner of agriculture to promote farming of cervidae and maintain a data base on research and information; declaring farmed cervidae to be livestock and raising farmed cervidae to be an agricultural pursuit; prohibiting owners from allowing farmed cervidae to run at large; prescribing conditions for slaughter and sale of farmed cervidae as meat, fencing requirements, disease inspection, importation, and transportation requirements; requiring identification; prescribing conditions for farming cervidae; defining cervidae farming as agricultural production for purposes of sales tax; defining fencing for purposes of sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; and 297A.01, subdivisions 13 and 15; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Mr. Bertram, Ms. Hanson, Messrs. Sams and Dille introduced—

S.F. No. 238: A bill for an act relating to agriculture; changing the bases for certain milk payments; amending Minnesota Statutes 1992, section 32.25, subdivision 1.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Bertram, Sams, Ms. Hanson and Mr. Dille introduced—

S.F. No. 239: A bill for an act relating to agriculture; extending the farmer-lender mediation program; appropriating money; amending Laws 1986, chapter 398, article 1, section 18, as amended.

Referred to the Committee on Agriculture and Rural Development.

Mses. Berglin, Piper and Kiscaden introduced—

S.F. No. 240: A bill for an act relating to health; changing the membership requirements of the board of nursing; amending Minnesota Statutes 1992, section 148.181, subdivision 1.

Referred to the Committee on Health Care.

Mses. Berglin and Pappas introduced—

S.F. No. 241: A bill for an act relating to human services; modifying reimbursement procedures for group residential housing; amending Minnesota Statutes 1992, section 256I.05, by adding a subdivision.

Referred to the Committee on Family Services.

Mr. Finn and Mrs. Benson, J.E. introduced—

S.F. No. 242: A bill for an act relating to human services; modifying adult foster care license requirements; amending Minnesota Statutes 1992, section 245A.11, subdivision 2a.

Referred to the Committee on Family Services.

Messrs. Larson, Belanger, Ms. Kiscaden, Mr. Knutson and Ms. Runbeck introduced—

S.F. No. 243: A bill for an act relating to crime; creating the crimes of stalking and aggravated stalking; authorizing warrantless arrests of alleged stalkers; requiring arrest and detention of alleged stalkers in lieu of release on citation; providing for conditions of pretrial release; providing penalties; amending Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 629.34, subdivision 1; and 629.72; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Murphy introduced—

S.F. No. 244: A bill for an act relating to controlled substances; prohibiting sale or possession of lysergic acid diethylamide (LSD) in a school zone, park zone, or public housing zone; amending Minnesota Statutes 1992, sections 152.022, subdivision 1; and 152.023, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Laidig introduced—

S.F. No. 245: A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resources, and agricultural purposes; regulating the amounts, impositions, and processing of various fees prescribed for various licenses issued and activities regulated by the departments of agriculture and natural resources; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 85.22, subdivision 2a; 90.031, subdivision 4; 90.101, subdivision 1; 90.121; 92.46, subdivision 1; 94.165; 115C.07, subdivision 2; 168.013, by adding a subdivision; and 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 97A; repealing Minnesota Statutes 1992, section 41A.09, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnson, J.B. and Mr. Johnson, D.J. introduced—

S.F. No. 246: A bill for an act relating to taxation; sales; exempting sales to political subdivisions of repair parts for fire trucks and emergency rescue vehicles; amending Minnesota Statutes 1992, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam and Spear introduced—

S.F. No. 247: A bill for an act relating to medical records; clarifying a patient's right of access to medical records; amending Minnesota Statutes 1992, section 144.335, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Merriam, Metzen and Ms. Ranum introduced—

S.F. No. 248: A bill for an act relating to government data practices; providing for the issuance of commissioner's opinions under the data practices act; proposing coding for new law in Minnesota Statutes, chapter 13.

Referred to the Committee on Judiciary.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, February 11, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRTEENTH DAY

St. Paul, Minnesota, Thursday, February 11, 1993

The Senate met at 9:30 a.m. and was called to order by the President.

### CALL OF THE SENATE

Ms. Flynn 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 Howard Siegel.

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

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

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 File, herewith transmitted: H.F. No. 35.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 9, 1993

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.



H.F. No. 35: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy.

Mr. Moe, R.D. moved that H.F. No. 35 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.

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

S.F. No. 119: A bill for an act relating to health; modifying requirements for the nursing assistant competency evaluation program; amending Minnesota Statutes 1992, section 144A.61, subdivision 3a.

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

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

S.F. No. 97: A bill for an act relating to health; clean indoor air; providing for an exemption from the prohibition on the use of tobacco products in public schools to permit use for religious or cultural purposes; amending Minnesota Statutes 1992, sections 144.4165; and 609.685, by adding a subdivision.

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

Page 1, line 21, delete "*or a*"

Page 1, line 22, delete everything before "*that*"

Page 1, delete line 23 and insert "*spiritual or cultural purposes*"

Page 1, line 24, delete everything before "*may*" and delete "*smoke or otherwise*"

Page 1, line 25, delete "*for*" and insert "*part of*"

Page 1, line 26, delete everything before the period and insert "*spiritual or cultural ceremony*"

Page 2, line 6, delete "*a person*" and insert "*an Indian*"

Page 2, line 7, delete everything after "*years*"

Page 2, line 8, delete everything before "*if*"

Page 2, line 9, delete "*for*" and insert "*as part of a*" and delete "*artistic,*" and delete the second comma

Page 2, line 10, delete everything after "*cultural*" and insert "*ceremony.*"

Page 2, delete lines 11 and 12

Amend the title as follows:

Page 1, line 4, delete "*religious*" and insert "*spiritual*"

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

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

S.F. No. 134: A bill for an act relating to human services; changing nursing home license surcharges; amending Minnesota Statutes 1992, section 256.9657, subdivisions 1 and 1a.

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

Page 1, line 13, after "licensed" insert "beds"

Page 1, line 15, after "the" insert "second"

Page 1, line 16, delete "*delicensing of beds*" and insert "*receipt of timely notice by the commissioner of human services that beds have been delicensed*"

Page 1, delete line 21

Page 1, line 22, delete everything before the period and insert "*commissioner of health in writing when beds are delicensed. The commissioner must notify the commissioner of human services within ten working days after receiving written notification. If the notification is received by the commissioner of human services by the 15th of the month, the invoice for the second following month must be reduced to recognize the delicensing of beds*"

Page 1, line 23, delete "respond to" and insert "acknowledge"

Page 2, line 21, after the period, insert "*The commissioner shall implement the waiver after it has been approved by the secretary.*"

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. 52: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy; providing for school board elections in the St. Louis county, Babbitt, Tower-Soudan district consolidation; permitting an operating debt levy for the Babbitt school district; repealing Laws 1977, chapter 92.

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

Page 3, line 10, delete "FEBRUARY 18" and insert "MARCH 5"

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 119, 97, 134 and 52 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Hottinger moved that the name of Mr. Merriam be added as a co-author to S.F. No. 32. The motion prevailed.

Mr. Beckman moved that the name of Mr. Stevens be added as a co-author to S.F. No. 55. The motion prevailed.

Mr. Cohen moved that the name of Mr. Merriam be added as a co-author to S.F. No. 190. The motion prevailed.

Mr. Bertram moved that the name of Mr. Larson be added as a co-author to S.F. No. 193. The motion prevailed.

Ms. Ranum moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 216. The motion prevailed.

Ms. Berglin moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 222. The motion prevailed.

Mr. Finn moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 234. The motion prevailed.

Mr. Finn moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 242. The motion prevailed.

Mr. Moe, R.D. moved that H.F. No. 35 be taken from the table. The motion prevailed.

H.F. No. 35: A bill for an act relating to education; authorizing a qualifying school district to recertify a levy.

### 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. 35 and that the rules of the Senate be so far suspended as to give H.F. No. 35 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 35 was read the second time.

Mr. Moe, R.D. moved to amend H.F. No. 35 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 35, and insert the language after the enacting clause, and the title, of S.F. No. 52, the second engrossment.

The motion prevailed. So the amendment was adopted.

H.F. No. 35 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	Chmielewski	Johnson, D.E.	Langseth	Mondale
Anderson	Cohen	Johnson, D.J.	Larson	Morse
Beckman	Day	Johnson, J.B.	Lesewski	Murphy
Belanger	Dille	Johnston	Lessard	Neuville
Benson, D.D.	Finn	Kelly	Luther	Novak
Benson, J.E.	Flynn	Kiscaden	Marty	Oliver
Berg	Frederickson	Knutson	McGowan	Olson
Bertram	Hanson	Krentz	Merriam	Pappas
Betzold	Hottinger	Kroening	Metzen	Pariseau
Chandler	Janezich	Laidig	Moe, R.D.	Piper

Pogemiller  
Price  
Ranum  
Reichgott

Riveness  
Robertson  
Runbeck

Sams  
Samuelson  
Solon

Spear  
Stevens  
Stumpf

Terwilliger  
Vickerman  
Wiener

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Moe, R.D. moved that S.F. No. 52, on General Orders, be stricken and laid on the table. 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. Betzold introduced—

S.F. No. 249: A bill for an act relating to human services; adding an exception to the moratorium on the development of group residential housing beds; amending Minnesota Statutes 1992, section 256I.04, subdivision 3.

Referred to the Committee on Health Care.

Mr. Betzold introduced—

S.F. No. 250: A bill for an act relating to cities; limiting the service of charter commission members; fixing procedures for charter amendments; amending Minnesota Statutes 1992, sections 410.05, subdivision 2; and 410.12, subdivision 3.

Referred to the Committee on Metropolitan and Local Government.

Mr. Chmielewski introduced—

S.F. No. 251: A bill for an act relating to natural resources; appropriating money for the Minnesota rock, gem, and mineral interpretative center; powers and duties of the commissioner of natural resources.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 252: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 437, Argyle.

Referred to the Committee on Education.

Mr. Marty introduced—

S.F. No. 253: A bill for an act relating to occupations and professions; clarifying the training requirements of private detectives and security guards; amending Minnesota Statutes 1992, sections 326.336, subdivision 2; and 326.3361, subdivisions 1, 2, and 3.

Referred to the Committee on Crime Prevention.

Mr. Price introduced—

S.F. No. 254: A bill for an act relating to taxation; property; authorizing counties to accept tax payments by credit card; amending Minnesota Statutes 1992, section 276.02.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kroening and Pogemiller introduced—

S.F. No. 255: A bill for an act relating to retirement; providing continued coverage in the Minnesota state retirement system for certain employees; amending Minnesota Statutes 1992, sections 352.01, subdivision 2a; and 352.04, subdivision 6.

Referred to the Committee on Governmental Operations and Reform.

Mses. Pappas, Anderson, Runbeck, Mr. Belanger and Mrs. Benson, J.E. introduced—

S.F. No. 256: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

Referred to the Committee on Family Services.

Messrs. Oliver, Day and Ms. Johnston introduced—

S.F. No. 257: A bill for an act relating to crime; creating the crimes of stalking and aggravated stalking; authorizing warrantless arrests of alleged stalkers; requiring arrest and detention of alleged stalkers in lieu of release on citation; providing for conditions of pretrial release; providing penalties; amending Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 629.34, subdivision 1; and 629.72; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Finn introduced—

S.F. No. 258: A bill for an act relating to education; extending the time for the Cass Lake school district to enter into construction contracts.

Referred to the Committee on Education.

Messrs. Stumpf, Bertram and Mrs. Adkins introduced—

S.F. No. 259: A bill for an act relating to gambling; permitting organizations to conduct contests involving certain card games for senior citizens; amending Minnesota Statutes 1992, sections 349.151, subdivision 4; and 609.761, by adding a subdivision.

Referred to the Committee on Gaming Regulation.

Ms. Johnson, J.B. and Mr. Pogemiller introduced—

S.F. No. 260: A bill for an act relating to education; changing the number of years over which school districts may certify reorganization operating debt; amending Minnesota Statutes 1992, section 122.531, subdivision 4a.

Referred to the Committee on Education.

Mr. Samuelson, Meses. Berglin, Piper, Messrs. Sams and Vickerman introduced—

S.F. No. 261: A bill for an act relating to human services; requiring the approval of the legislature if the commissioner of human services modifies the rules established to determine payment rates for inpatient hospital services under medical assistance and general assistance medical care; amending Minnesota Statutes 1992, sections 256.9685, subdivision 1; 256.969, subdivision 2; and 256.9695, subdivision 5.

Referred to the Committee on Health Care.

Messrs. Kelly and Chandler introduced—

S.F. No. 262: A bill for an act relating to the city of Saint Paul; authorizing the city by ordinance to prepare, adopt, and amend design districts and design framework, to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

Referred to the Committee on Metropolitan and Local Government.

Ms. Johnson, J.B.; Messrs. Stumpf, Beckman, Ms. Krentz and Mr. Vickerman introduced—

S.F. No. 263: A bill for an act relating to education; modifying the referendum revenue program; creating a discretionary revenue program; increasing equalization aid; eliminating supplemental revenue; amending Minnesota Statutes 1992, sections 124A.03; and 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Minnesota Statutes 1992, sections 124A.03, subdivision 1f; and 124A.22, subdivisions 8, 8a, 8b, and 9.

Referred to the Committee on Education.

Ms. Anderson, Mr. Novak, Ms. Runbeck and Mr. Chandler introduced—

S.F. No. 264: A bill for an act relating to housing; changing program review requirements; increasing deferred loan limits; expanding the types of eligible users of the homesharing program; expanding the project eligibility of the housing trust fund; authorizing cities to sell single-family residential housing under the neighborhood land trust program; expanding the types of eligible service providers and changing the authorized payment structure of the rental assistance for family stabilization program; increasing the income limits for rental housing assistance; establishing the community rehabilitation fund account; consolidating the blighted residential property and capital reserve programs; authorizing tribal Indian housing demonstration projects; amending Minnesota Statutes 1992, sections 462A.05, subdivisions 14a and 24; 462A.07, subdivision 15; 462A.201, subdivision 2; 462A.202, subdivision 7; 462A.205, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 462A.21, subdivisions 4c, 8c, and by adding a subdivision; and 462C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1992, sections 462A.05, subdivision 37; and 462A.32.

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

Messrs. Finn, Spear, Luther and Ms. Reichgott introduced—

S.F. No. 265: A bill for an act relating to business corporations; making various technical changes; amending Minnesota Statutes 1992, sections 302A.011, subdivisions 26, 38, 53, and by adding a subdivision; 302A.105; 302A.111, subdivisions 3 and 4; 302A.115, subdivision 1; 302A.117, subdivision 1; 302A.123, subdivision 3; 302A.133; 302A.135, subdivisions 1 and 3; 302A.137; 302A.153; 302A.171, subdivision 2; 302A.231, subdivision 3; 302A.233; 302A.237; 302A.241, subdivision 1; 302A.255, subdivision 2; 302A.401, subdivisions 1 and 3; 302A.402, subdivisions 1, 2, and by adding a subdivision; 302A.403, subdivisions 2 and 4; 302A.413, subdivisions 4 and 9; 302A.423, subdivision 2; 302A.435, subdivisions 1 and 3; 302A.437, subdivision 2; 302A.447, subdivisions 2 and 3; 302A.449, subdivision 1; 302A.461, subdivision 4; 302A.463; 302A.471, subdivision 3; 302A.473, subdivisions 4 and 7; 302A.501, subdivision 1; 302A.521, subdivision 6; 302A.551, subdivision 1; 302A.553, subdivision 1; 302A.559, subdivision 1; 302A.613, subdivisions 2 and 3; 302A.621, subdivision 6; 302A.641, subdivision 1; 302A.671, subdivision 3; 302A.673, subdivisions 1 and 3; 302A.711, subdivisions 1 and 2; and 302A.901, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Chmielewski, Mrs. Adkins, Mr. Sams, Mmes. Benson, J.E. and Pariseau introduced—

S.F. No. 266: A bill for an act relating to health; providing a woman considering abortion the right to certain information before giving consent; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health Care.

Messrs. Sams, Berg, Langseth, Chmielewski and Dille introduced—

S.F. No. 267: A bill for an act relating to taxation; excluding certain classes of property from the general education tax; adjusting income tax brackets; amending Minnesota Statutes 1992, sections 124A.23, subdivision 1, and by adding a subdivision; 275.08, subdivisions 1b, 1c, and 1d; and 290.06, subdivisions 2c and 2d.

Referred to the Committee on Taxes and Tax Laws.

Mr. Johnson, D.E. introduced—

S.F. No. 268: A bill for an act relating to education; extending the time for the New London-Spicer school district to enter into construction contracts.

Referred to the Committee on Education.

Mr. Cohen introduced—

S.F. No. 269: A bill for an act relating to metropolitan government; requiring at least one member of metropolitan transit commission to be disabled user of transit system; amending Minnesota Statutes 1992, section 473.404, subdivision 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Cohen introduced—

S.F. No. 270: A bill for an act relating to elections; changing certain margins requiring automatic recounts; amending Minnesota Statutes 1992, section 204C.35, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Johnson, J.B.; Messrs. Merriam, Mondale, Chandler and Frederickson introduced—

S.F. No. 271: A bill for an act relating to waste management; encouraging local government units to use purchasing techniques to reduce waste and develop markets for recycled products; prohibiting burning and burial of harmful materials on farms; defining packaging; prohibiting disposal of unprocessed mixed municipal solid waste; authorizing counties to count waste reduction toward 1996 recycling goals; requiring local government units to separately account for all revenue and spending related to waste management; requiring collectors of commercial waste to disclose where the waste is deposited; prohibiting fluorescent and high intensity discharge lamps in solid waste; clarifying that organized waste collection is one of several tools for cities and counties to use to collect waste; requiring labeling of hazardous household products; requiring reporting of tipping fee schedules at all waste facilities; requiring owners or operators of waste facilities that are publicly financed to account for charges and expenditures related to the facilities; requiring electric utilities to encourage use of fluorescent and high intensity discharge lamps and to collect spent lamps; extending by one year the solid waste field citation pilot program; clarifying the effects of the repeal of the metropolitan landfill siting process; amending Minnesota Statutes 1992, sections 16B.122, by adding a subdivision; 17.135; 115.071, subdivision 1; 115A.03, by adding a subdivision; 115A.034; 115A.5501, subdivision 3; 115A.551, subdivision 2a; 115A.552, subdivision 2; 115A.56; 115A.916; 115A.929; 115A.932, subdivision 1; 115A.94, subdivisions 5 and 6; 115A.941; 115A.9651; 115A.981; 116.78, by adding a subdivision; 116.92, subdivision 7; 216B.241, by adding a subdivision; 325E.12; 325E.125, subdivision 1; 325E.1251; 325E.32; 400.08, subdivision 3; Laws 1991, chapter 347, article 1, sections 15, subdivisions 1 and 6; and 20; Laws 1992, chapter 593, article 1, section 55; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Mr. Moe, R.D. introduced—

S.F. No. 272: A bill for an act relating to retirement; permitting benefit accrual after age 60 for certain members of the state patrol retirement plan.

Referred to the Committee on Governmental Operations and Reform.

Mr. Knutson, Ms. Johnston, Mrs. Pariseau, Mr. Murphy and Ms. Wiener introduced—

S.F. No. 273: A bill for an act relating to highways; changing description of



legislative Route No. 279 in state trunk highway system after agreement to transfer part of old route to Dakota county.

Referred to the Committee on Transportation and Public Transit.

Mr. Knutson, Mses. Robertson, Ranum, Mr. Neuville and Ms. Anderson introduced—

S.F. No. 274: A bill for an act relating to crime; authorizing warrantless arrests for assaults committed against a person with whom the offender has a child or unborn child in common; amending Minnesota Statutes 1992, section 629.341, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Knutson, Mrs. Pariseau, Messrs. Neuville, Marty and McGowan introduced—

S.F. No. 275: A bill for an act relating to criminal procedure; venue of actions for illegal consumption of alcoholic beverages by minors; amending Minnesota Statutes 1992, section 340A.503, subdivision 1.

Referred to the Committee on Crime Prevention.

Messrs. Chandler, Janezich, Solon, Luther and Belanger introduced—

S.F. No. 276: A bill for an act relating to financial institutions; credit unions; regulating investments in share certificates; authorizing credit unions to make reverse mortgage loans; regulating credit unions as depositories of various funds; amending Minnesota Statutes 1992, sections 11A.24, subdivision 4; 41B.19, subdivision 6; 47.58, subdivision 1; 48.64; 48.86; 50.14, subdivision 13; 52.04, subdivision 1; 80A.14, subdivisions 4 and 9; 116J.8765, subdivision 4; 118.01, subdivision 1; 118.10; 136.31, subdivision 6; 427.01; 446A.11, subdivision 9; 475.67, subdivision 5; and 520.01, subdivision 2.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Merriam, Ms. Hanson, Mr. Betzold and Ms. Krentz introduced—

S.F. No. 277: A bill for an act relating to local government; creating the office of Anoka county coroner; appointing a physician as county coroner; appointing assistant coroners; designating deputy coroners; establishing the duties of the coroner.

Referred to the Committee on Metropolitan and Local Government.

Mr. Finn, Ms. Berglin, Messrs. Sams and Chmielewski introduced—

S.F. No. 278: A bill for an act relating to alcoholic beverages; increasing the sales tax rate on alcoholic beverages to ten percent; providing for the dedication of a portion of the revenues from the sales tax on alcoholic beverages to the chemical dependency treatment account; eliminating requirements for a sliding fee schedule for persons eligible for chemical dependency fund services; amending Minnesota Statutes 1992, sections 254B.02, subdivision 1; 254B.04, subdivision 1; 297A.02, subdivision 3; and 297A.44,

subdivision 1; repealing Minnesota Statutes 1992, section 254B.04, subdivision 3.

Referred to the Committee on Health Care.

Mr. Dille and Ms. Hanson introduced—

S.F. No. 279: A bill for an act relating to education; authorizing an additional day on which a referendum may be conducted; amending Minnesota Statutes 1992, section 124A.03, subdivision 2.

Referred to the Committee on Education.

Mr. Dille and Ms. Hanson introduced—

S.F. No. 280: A bill for an act relating to education; authorizing a second day on which a referendum may be conducted in certain school districts.

Referred to the Committee on Education.

Messrs. Finn; Chmielewski; Berg; Benson, D.D. and Neuville introduced—

S.F. No. 281: A bill for an act relating to taxation; providing for payment of certain in-lieu taxes; amending Minnesota Statutes 1992, sections 97A.061; and 477A.14.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin and Mr. Samuelson introduced—

S.F. No. 282: A bill for an act relating to medical assistance; modifying hospital reimbursement rates; amending Minnesota Statutes 1992, section 256.969, subdivisions 9, 20, and by adding subdivisions.

Referred to the Committee on Health Care.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 15, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## FOURTEENTH DAY

St. Paul, Minnesota, Monday, February 15, 1993

The Senate met at 11:00 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. Joy Bussert.

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

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. The motion prevailed.

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

S.F. No. 18: A resolution memorializing the United States Secretary of Agriculture to establish higher contract prices for grain commodities.

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

Amend the title as follows:

Page 1, line 3, delete "contract prices" and insert "price supports"

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

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

S.F. No. 115: A bill for an act relating to civil actions; limiting liability for certain injuries arising out of livestock activities; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, 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. "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; or

(3) meals and lunches served at public and private schools, universities, or colleges. 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 world 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, 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. Telephone service includes paging services and private communication service, as defined in United States Code, title 26, section 4252(d), except for private communication service purchased by an agent acting on behalf of the state lottery. 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. The sale of natural gas to be used as a fuel in vehicles propelled by natural gas shall not be considered a sale for the purposes of this section;

(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) (i) 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 pruning, bracing, spraying, and surgery; and tree trimming for public utility lines: Services performed under a construction contract for the installation of shrubbery, plants, sod, trees, bushes, and similar items are not taxable;

(vii) solid waste collection and disposal services as described in section 297A.45;

(viii) massages, except when provided by a licensed health care facility or professional or upon written referral from a licensed health care facility or professional for treatment of illness, injury, or disease; and

(ix) the furnishing for consideration of lodging, board and care services for animals in kennels and other similar arrangements, but excluding veterinary and horse boarding services.

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;

(\*) (j) 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

(4) (k) 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. 2. Minnesota Statutes 1992, section 297A.25, is amended by adding a subdivision to read:

*Subd. 52. [HORSES.] The gross receipts from the sale of horses are exempt.*

Sec. 3. Minnesota Statutes 1992, section 297A.44, subdivision 1, is amended to read:

Subdivision 1. (a) Except as provided in paragraphs (b), (c), and (d), and subdivision 4, all revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund.

(b) All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall be deposited in the Minnesota agricultural and economic account in the special revenue fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) All revenues, including interest and penalties, derived from the excise and use taxes imposed on sales and purchases included in section 297A.01, subdivision 3, paragraphs (d) and (4) (k), clauses (1) and (2), must be deposited by the commissioner in the state treasury, and credited as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance must be credited to the general fund.

(d) The revenues, including interest and penalties, derived from the taxes imposed on solid waste collection services as described in section 297A.45, except for the tax imposed under section 297A.021, shall be deposited by the commissioner in the state treasury and credited to the general fund to be used for funding solid waste reduction and recycling programs."

Page 3, line 18, delete "*This act*" and insert "*Sections 1 to 3 are effective for sales after June 30, 1993. Section 4*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "civil actions" and insert "livestock; exempting sales of horses from the sales tax"

Page 1, line 3, after the semicolon, insert "amending Minnesota Statutes 1992, sections 297A.01, subdivision 3; 297A.25, by adding a subdivision; and 297A.44, subdivision 1;"

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

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

S.F. No. 122: A bill for an act relating to human services; requiring a minimum funding level for each grantee under the Head Start program which is no less than that of fiscal year 1993; appropriating money; amending Minnesota Statutes 1992, section 268.914, subdivision 1; repealing Minnesota Statutes 1992, section 268.914, subdivision 2.

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

Page 2, line 1, delete "*no less*" and insert "*at least the proportion of state*"

Page 2, line 2, delete "*than*" and insert "*that*"

Page 2, line 25, delete "\$....." and insert "\$25,000,000"

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

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

S.F. No. 19: A bill for an act relating to taxation; providing for purchase of certain tax-forfeited lands; providing a refund; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; and 282.241.

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 1992, section 282.01, subdivision 7, is amended to read:



Subd. 7. [COUNTY SALES; NOTICE, PURCHASE PRICE, DISPOSITION.] The sale herein provided for shall commence at such time as the county board of the county wherein such parcels lie, shall direct. The county auditor shall offer the parcels of land in order in which they appear in the notice of sale, and shall sell them to the highest bidder, but not for a less sum than the appraised value, until all of the parcels of land shall have been offered, and thereafter shall sell any remaining parcels to anyone offering to pay the appraised value thereof, except that if the person could have repurchased a parcel of property under section 282.012 or 282.241, that person shall not be allowed to purchase that same parcel of property at the sale under this subdivision ~~unless approved by the county board for a purchase price less than the sum of all delinquent taxes and assessments computed under section 282.251, together with penalties, interest, and costs that accrued or would have accrued if the parcel had not forfeited to the state.~~ Said sale shall continue until all such parcels are sold or until the county board shall order a reappraisal or shall withdraw any or all such parcels from sale. Such list of lands may be added to and the added lands may be sold at any time by publishing the descriptions and appraised values of such parcels of land as shall have become forfeited and classified as nonconservation since the commencement of any prior sale or such parcels as shall have been reappraised, or such parcels as shall have been reclassified as nonconservation or such other parcels as are subject to sale but were omitted from the existing list for any reason in the same manner as hereinafter provided for the publication of the original list, provided that any parcels added to such list shall first be offered for sale to the highest bidder before they are sold at appraised value. All parcels of land not offered for immediate sale, as well as parcels of such lands as are offered and not immediately sold shall continue to be held in trust by the state for the taxing districts interested in each of said parcels, under the supervision of the county board, and such parcels may be used for public purposes until sold, as the county board may direct.

Sec. 2. Minnesota Statutes 1992, section 282.241, is amended to read:

282.241 [REPURCHASE AFTER FORFEITURE.]

The owner at the time of forfeiture, or the owner's heirs, devisees, or representatives, or any person to whom the right to pay taxes was given by statute, mortgage, or other agreement, may repurchase any parcel of land claimed by the state to be forfeited to the state for taxes unless before the time repurchase is made the parcel is sold under installment payments, or otherwise, by the state as provided by law, or is under mineral prospecting permit or lease, or proceedings have been commenced by the state or any of its political subdivisions or by the United States to condemn such parcel of land. The parcel of land may be repurchased: ~~The repurchase price is the greater of (1) the appraised value of the parcel, or (2) for the sum of all delinquent taxes and assessments computed under section 282.251, together with penalties, interest, and costs, that accrued or would have accrued if the parcel of land had not forfeited to the state.~~ Except for property which was homesteaded on the date of forfeiture, such repurchase shall be permitted during one year only from the date of forfeiture, and in any case only after the adoption of a resolution by the board of county commissioners determining that thereby undue hardship or injustice resulting from the forfeiture will be corrected, or that permitting such repurchase will promote the use of such lands that will best serve the public interest. If the county board has good cause to believe that a repurchase installment payment plan for a particular

parcel is unnecessary and not in the public interest, the county board may require as a condition of repurchase that the entire repurchase price be paid at the time of repurchase. A repurchase shall be subject to any easement, lease, or other encumbrance granted by the state prior thereto, and if said land is located within a restricted area established by any county under Laws 1939, chapter 340, such repurchase shall not be permitted unless said resolution with respect thereto is adopted by the unanimous vote of the board of county commissioners.

### Sec. 3. [EXTENSION OF TIME FOR REPURCHASE.]

*Property eligible for repurchase on or after April 25, 1992, but before the date of final enactment of this act, may be repurchased as provided in section 2 for an additional period of one year, beginning on the date of final enactment of this act. Any right of repurchase under this section is subject to (1) sale or conveyance of the property; (2) commencement of condemnation proceedings by the state or any of its political subdivisions or by the United States; or (3) the issuance of a mineral prospecting permit or lease.*

### Sec. 4. [EFFECTIVE DATE; REFUND; REPURCHASE PRICE REDUCTION.]

*(a) Sections 1 and 3 are effective the day following final enactment.*

*(b) Section 2 is effective retroactive to April 25, 1992. Upon application to the county auditor, a person who repurchased property under the provisions of Minnesota Statutes, section 282.241, as amended by Laws 1992, chapter 511, article 2, section 29, shall receive a refund, if the person paid the total repurchase price, or, if the person is paying the repurchase price in installments, shall receive a reduction in the repurchase price. The refund or reduction in repurchase price is equal to the amount of the property's appraised value at the time of the repurchase in excess of the sum of all delinquent taxes and assessments computed under Minnesota Statutes, section 282.251, together with penalties, interest, and costs that accrued or would have accrued if the parcel of land had not forfeited to the state. The refund shall be paid without interest.*

*(c) If the repurchase price is being paid in installments, the auditor and the repurchaser shall negotiate a new installment payment plan to reflect the repurchase price under section 2, or the repurchaser may pay any remaining balance in full; or, if the amount already paid exceeds the repurchase price under section 2, the repurchaser shall receive a refund, without interest, equal to the excess.*

*(d) The refund shall be paid by the county treasurer from the forfeited tax sale fund. Taxing districts that received distributions from the forfeited tax sale fund in regard to a parcel for which a person is receiving a refund under this section must reimburse the fund. The reimbursement shall be determined by the county auditor as part of the next settlement, except that if the forfeited tax sale fund does not contain the funds necessary to make the refund, the taxing districts shall each pay the reimbursement within five business days after notification by the county auditor. The amount of the reimbursement is equal to the ratio of the total distributions from the fund to the total deposits in the fund multiplied by the taxing district's statutory distribution percentage under Minnesota Statutes, section 282.08, multiplied by the total refund. In addition, the county must reimburse the fund in an amount equal to: (1) the percentage of the total deposits retained in the fund or set aside for (i) county*

*costs, (ii) timber development under Minnesota Statutes, section 282.08, clause (4), paragraph (a), and (iii) county parks or recreational areas under Minnesota Statutes, section 282.08, clause (4), paragraph (b); multiplied by (2) the total refund. The reimbursement shall be paid without interest."*

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 18 and 19 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Benson, D.D. moved that his name be stricken as a co-author to S.F. No. 114. The motion prevailed.

Mr. Stumpf moved that the names of Messrs. Morse and Sams be added as co-authors to S.F. No. 214. The motion prevailed.

Mr. Bertram moved that the name of Mr. Morse be added as a co-author to S.F. No. 238. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Morse be added as a co-author to S.F. No. 246. The motion prevailed.

Mr. Price moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 254. The motion prevailed.

Ms. Anderson moved that the name of Ms. Berglin be added as a co-author to S.F. No. 264. The motion prevailed.

Mr. Cohen moved that the name of Ms. Berglin be added as a co-author to S.F. No. 269. The motion prevailed.

Mr. Merriam moved that the name of Ms. Runbeck be added as a co-author to S.F. No. 277. 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. Janezich; Moe, R.D. and Lessard introduced—

S.F. No. 283: A bill for an act relating to state lands; authorizing the private sale of state land in St. Louis county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Bertram, Beckman, Hottinger, Larson and Neuville introduced—

S.F. No. 284: A bill for an act relating to taxation; excluding certain classes of property from the general education tax; adjusting income tax brackets; amending Minnesota Statutes 1992, sections 124A.23, subdivision 1, and by adding a subdivision; 275.08, subdivisions 1b, 1c, and 1d; and 290.06, subdivisions 2c and 2d.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chandler, Riveness, Morse and Finn introduced—

S.F. No. 285: A bill for an act relating to the environment; providing for citizen suits to enforce various environmental laws; amending Minnesota Statutes 1992, section 115.073; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Ms. Flynn, Messrs. Luther; Moe, R.D.; Laidig and Ms. Reichgott introduced—

S.F. No. 286: A bill for an act relating to elections; providing for a voter information program; appropriating money; amending Minnesota Statutes 1992, sections 204B.27, by adding subdivisions; and 211B.06, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Johnson, J.B.; Messrs. Betzold, Spear, Larson and Ms. Flynn introduced—

S.F. No. 287: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

Referred to the Committee on Family Services.

Ms. Ranum, Messrs. Spear, Laidig, Beckman and Ms. Anderson introduced—

S.F. No. 288: A bill for an act relating to child abuse reporting; expanding the definition of "neglect" to include failure to provide a child with necessary education; amending Minnesota Statutes 1992, section 626.556, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Metzen, Solon, Kroening, Chandler and Belanger introduced—

S.F. No. 289: A bill for an act relating to commerce; motor vehicles; restricting sales of motor vehicles that have sustained damage of at least 70 percent of value; amending Minnesota Statutes 1992, sections 168.27, subdivisions 1, 2, 3, 3a, 3b, 3c, 4, 5a, 6, 7, and 8; 168A.01, subdivision 16; 168A.02, subdivision 2; 168A.05, subdivision 3; 168A.151, subdivisions 1 and 2; 168A.152, subdivision 1; 325F.6641, subdivision 1; and 325F.6642.

Referred to the Committee on Transportation and Public Transit.

Messrs. Finn, Price, Sams and Mrs. Benson, J.E. introduced—

S.F. No. 290: A bill for an act relating to education; modifying eligibility requirements for state post-secondary grant recipients; establishing reporting requirements for eligible institutions; amending Minnesota Statutes 1992, sections 136A.101, by adding a subdivision; 136A.121, subdivisions 2, 5, and by adding a subdivision.

Referred to the Committee on Education.

Ms. Piper, Messrs. Sams, Samuelson, Solon and Oliver introduced—

S.F. No. 291: A bill for an act relating to insurance; health; requiring coverage for elimination of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Samuelson introduced—

S.F. No. 292: A bill for an act relating to Crow Wing county; authorizing the sale of a public landing on Crow Wing lake.

Referred to the Committee on Environment and Natural Resources.

Ms. Ranum, Messrs. Marty, Hottinger, Novak and Riveness introduced—

S.F. No. 293: A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 6a, 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Betzold introduced—

S.F. No. 294: 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 1992, sections 3.9741; 10A.01, subdivision 18; 10A.49, subdivisions 2 and 3; 11A.23, subdivision 1; 13.32, subdivisions 3 and 5; 13.791; 13.99, subdivision 82; 16B.06, subdivision 2a; 18C.551, subdivision 3; 43A.317, subdivision 9; 60A.74, subdivision 6; 62A.44, subdivision 2; 62J.21; 65B.09, subdivision 1; 79.251, subdivision 6; 79A.01, subdivision 1; 80C.18, subdivision 1; 80E.09, subdivision 2; 86B.321, subdivision 1; 103G.293; 116R.01, subdivision 6; 120.064, subdivision 6; 123.39, subdivision 8d; 144.878, subdivision 2; 148B.06, subdivision 2; 148C.11, subdivision 4; 168.187, subdivision 26; 169.797, subdivision 1; 240.011; 245A.18; 256B.0644; 256B.19, subdivision 1a; 268.071, subdivision 3; 289A.20, subdivision 4; 290.9201, subdivision 7; 290A.03, subdivision 13; 325E.0681, subdivision 9; 326.43; 349.151, subdivision 2; 349.19, subdivision 6; 349.31, subdivision 1; 352.03, subdivision 16; 352C.021, subdivision 6; 357.11; 471.617, subdivision 1; 473.516, subdivision 1; 473.704, subdivision 17; 473.811, subdivisions 6, 7, 8, and 9; 475.66, subdivision 3; 477A.13; 480.15, subdivision 9; 480.059, subdivision 7; 525.9221; 551.04, subdivision 14; 600.02; 609.3471; 626.556, subdivision 10; and 626.861, subdivision 3; repealing Minnesota Statutes 1992, sections 61A.011, subdivision 8; 240.01, subdivision 14; 240.011, subdivision 1; 334.011, subdivision 4; and 480.0591, subdivision 3.

Referred to the Committee on Judiciary.

Messrs. Novak, Riveness, Price, Metzen and Pogemiller introduced—

S.F. No. 295: A bill for an act relating to taxation; reducing the class rate applicable to commercial-industrial property; increasing the corporate franchise tax rates; amending Minnesota Statutes 1992, sections 273.13, subdivisions 24 and 31; 290.06, subdivision 1; and 290.0921, subdivision 1; repealing Minnesota Statutes 1992, section 273.13, subdivision 32.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Knutson, Cohen, Ms. Robertson, Mrs. Benson, J.E. and Mr. Stevens introduced—

S.F. No. 296: A bill for an act relating to human services; requiring parent's social security numbers on birth certificates; modifying various child support provisions; amending Minnesota Statutes 1992, sections 144.215, by adding a subdivision; 518.551, subdivision 5; 518.611, subdivisions 1, 2, 6, and by adding a subdivision; and 518.613, subdivisions 2, 3, and 4.

Referred to the Committee on Family Services.

Messrs. Riveness, Price, Ms. Reichgott, Mr. Belanger and Ms. Flynn introduced—

S.F. No. 297: A bill for an act relating to education; authorizing a school district to levy for certain interest paid on abatement refunds; amending Minnesota Statutes 1992, section 275.48.

Referred to the Committee on Education.

Mses. Kiscaden, Reichgott and Mr. Kelly introduced—

S.F. No. 298: A bill for an act relating to crime; expanding the crime of trespass to include entry onto locked or posted construction sites without consent; amending Minnesota Statutes 1992, section 609.605, subdivision 1.

Referred to the Committee on Crime Prevention.

Messrs. Hottinger, Beckman, Frederickson and Neuville introduced—

S.F. No. 299: A bill for an act relating to appropriations; appropriating money to the commissioner of natural resources for betterment of the Sakatah Singing Hills state trail.

Referred to the Committee on Environment and Natural Resources.

Mr. Hottinger, Ms. Kiscaden, Messrs. Betzold, McGowan and Finn introduced—

S.F. No. 300: A bill for an act relating to local government; permitting sheriff civil service commissions to expand eligible lists in certain circumstances; amending Minnesota Statutes 1992, section 387.36.

Referred to the Committee on Metropolitan and Local Government.

Mses. Pappas, Anderson, Mr. Chandler and Ms. Johnston introduced—

S.F. No. 301: A bill for an act relating to insurance; mandating coverage for osteoporosis bone mass measurement testing; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Pogemiller, Spear and Ms. Flynn introduced—

S.F. No. 302: A bill for an act relating to the city of Minneapolis; regulating the establishment and functions of special service districts; amending Laws 1985, chapter 302, section 1, subdivision 3; section 2, subdivision 1; and section 4.

Referred to the Committee on Metropolitan and Local Government.

Ms. Olson, Messrs. Chmielewski and Larson introduced—

S.F. No. 303: A bill for an act relating to motor vehicles; allowing value of rebuilt passenger vehicles to be determined by purchase price for taxation purposes; amending Minnesota Statutes 1992, section 168.013, subdivision 1a.

Referred to the Committee on Transportation and Public Transit.

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

S.F. No. 304: A bill for an act relating to agriculture; requiring aquatic pest control applicators to be licensed; proposing coding for new law in Minnesota Statutes, chapter 18B.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Merriam, Price, Ms. Ranum and Mr. McGowan introduced—

S.F. No. 305: A bill for an act relating to crime; authorizing school officials to use reasonable force to prevent the official, a student, or other school officials from suffering substantial or great bodily harm or death; providing criminal and civil immunity for the use of such reasonable force; providing felony penalties for unlawfully possessing a firearm or dangerous weapon on school property or in certain school buses; amending Minnesota Statutes 1992, sections 609.06; 609.066, subdivision 3; and 609.66, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Metzen, Riveness and Novak introduced—

S.F. No. 306: A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Knutson, McGowan, Mses. Krentz, Kiscaden and Mr. Belanger introduced—

S.F. No. 307: A bill for an act relating to data practices; requiring a responsible authority on the request of an individual to remove the individual's name from a list of licensing data that is for sale; amending Minnesota Statutes 1992, section 13.04, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Knutson, Metzen, Mrs. Pariseau, Ms. Ranum and Mr. McGowan introduced—

S.F. No. 308: A bill for an act relating to probation; extending jurisdiction for probation violations occurring during a term of probation but not presented in court until after the probation term expires; amending Minnesota Statutes 1992, sections 609.135, subdivisions 1a and 2; and 609.14, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Kelly, Ms. Runbeck, Mr. Betzold, Ms. Pappas and Mr. Cohen introduced—

S.F. No. 309: A bill for an act relating to St. Paul; authorizing the city to require employees to reside in the city.

Referred to the Committee on Metropolitan and Local Government.

Mr. Kelly, Ms. Pappas and Mr. Cohen introduced—

S.F. No. 310: A bill for an act relating to local government; requiring the city of St. Paul to merge its health department with the Ramsey county health department; proposing coding for new law in Minnesota Statutes, chapter 383A.

Referred to the Committee on Metropolitan and Local Government.

Mr. Lessard introduced—

S.F. No. 311: A bill for an act relating to appropriations; appropriating money for a cold weather resource center.

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

Mr. Bertram introduced—

S.F. No. 312: A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1992, section 375.025, subdivision 4.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Wiener, Mr. Metzen, Mrs. Pariseau, Messrs. Murphy and Knutson introduced—

S.F. No. 313: A bill for an act relating to Dakota county; providing for the composition and powers of the county housing and redevelopment authority and the county extension committee; amending Minnesota Statutes 1992,



section 383D.41, subdivisions 1, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 383D.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Larson, McGowan, Oliver, Mses. Robertson and Olson introduced—

S.F. No. 314: A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 6a, 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Johnson, J.B.; Messrs. Johnson, D.J.; Moe, R.D. and Beckman introduced—

S.F. No. 315: A bill for an act relating to economic development; requiring the commissioner of trade and economic development to establish regional service offices; amending Minnesota Statutes 1992, section 116J.01; by adding a subdivision.

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

Mr. Sams, Ms. Berglin, Messrs. Vickerman; Benson, D.D. and Oliver introduced—

S.F. No. 316: A bill for an act relating to human services; providing for external accreditation of programs and services to persons with developmental disabilities; developing a competitive bidding system with performance outcomes; increasing consumer choice in the service delivery system; creating a state office to enforce the vulnerable adult act; amending Minnesota Statutes 1992, section 245A.09, subdivision 7, and by adding a subdivision.

Referred to the Committee on Health Care.

Ms. Johnson, J.B. introduced—

S.F. No. 317: A bill for an act relating to commerce; defining the responsibilities of ski area operators and skiers; defining the rights and liabilities between skiers and between a skier and a ski area operator; proposing coding for new law as Minnesota Statutes, chapter 86C.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Benson, D.D. introduced—

S.F. No. 318: A bill for an act relating to education; specifying an alternative method for two consolidating school districts to combine referendum authority.

Referred to the Committee on Education.

Messrs. Vickerman and Beckman introduced—

S.F. No. 319: A bill for an act relating to health; clarifying the meaning of comprehensive health maintenance services; amending Minnesota Statutes 1992, section 62D.02, subdivision 7.

Referred to the Committee on Health Care.

Ms. Ranum, Messrs. Spear, McGowan, Kelly and Neuville introduced—

S.F. No. 320: A bill for an act relating to corrections; authorizing arrest and detention of persons who are on pretrial release by peace and probation officers pursuant to written orders issued by the chief executive officer of a community corrections agency; amending Minnesota Statutes 1992, section 401.02, subdivision 4.

Referred to the Committee on Crime Prevention.

Ms. Ranum, Messrs. Spear, McGowan, Kelly and Neuville introduced—

S.F. No. 321: A bill for an act relating to crime victims; providing priority for payment of restitution obligations under the revenue recapture act; authorizing collection of restitution from inmate wages when the restitution is court ordered as a sanction for the conviction of an offense which is not the offense of commitment; authorizing the use of forfeited bail to pay delinquent restitution obligations; amending Minnesota Statutes 1992, sections 270A.10; 243.23, subdivision 3; 485.018, subdivision 5; and 611A.04, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Mr. Kelly, Meses. Runbeck and Pappas introduced—

S.F. No. 322: A bill for an act relating to prosecution of crime; consolidating the criminal divisions of the offices of municipal attorneys in Ramsey county with the criminal division of the office of Ramsey county attorney; authorizing the Ramsey county attorney to prosecute all criminal actions; proposing coding for new law in Minnesota Statutes, chapter 388.

Referred to the Committee on Crime Prevention.

Mr. Riveness, Ms. Wiener, Messrs. Day, Samuelson and Bertram introduced—

S.F. No. 323: A bill for an act relating to health occupations; requiring the board of chiropractic examiners to adopt rules governing the taking of X-rays by chiropractic assistants; amending Minnesota Statutes 1992, section 148.08, subdivision 3.

Referred to the Committee on Health Care.

Messrs. Metzen and Bertram introduced—

S.F. No. 324: A bill for an act relating to crimes; imposing a penalty of life imprisonment for kidnapping when the victim has not been found at the time of sentencing; amending Minnesota Statutes 1992, sections 244.05, subdivisions 4 and 5; and 609.25, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Metzen introduced—

S.F. No. 325: A bill for an act relating to lawful gambling; modifying the definition of lawful purpose to include certain expenditures for persons over age 54; amending Minnesota Statutes 1992, section 349.12, subdivision 25.

Referred to the Committee on Gaming Regulation.

Messrs. Kelly and McGowan introduced—

S.F. No. 326: A bill for an act relating to crime; clarifying that persons convicted of certain crimes may also be punished for committing certain separate underlying crimes; amending Minnesota Statutes 1992, sections 609.035; 609.251; 609.585; and 609.856, subdivision 1.

Referred to the Committee on Crime Prevention.

Ms. Kiscaden, Mr. Samuelson, Ms. Piper and Mr. Knutson introduced—

S.F. No. 327: A bill for an act relating to human services; authorizing intensive family preservation services and child welfare targeted case management services; amending Minnesota Statutes 1992, sections 256B.0625, by adding a subdivision; 256F.06, subdivision 2; 257.3573, by adding a subdivision; and 626.559, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 256B; and 256F.

Referred to the Committee on Family Services.

Messrs. Solon, Janezich, Metzen, Murphy and Ms. Olson introduced—

S.F. No. 328: A bill for an act relating to education; changing the structure of the higher education merger by removing the technical colleges from the merger; amending Minnesota Statutes 1992, sections 136E.03; 136E.04, subdivisions 1 and 4; and 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1992, section 136E.04, subdivision 4; and Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

Referred to the Committee on Education.

Messrs. Stevens; Moe, R.D.; Johnson, D.E. and Finn introduced—

S.F. No. 329: A bill for an act relating to human services; allocating money to the child care basic sliding fee program; amending Minnesota Statutes 1992, section 256H.03, subdivision 4.

Referred to the Committee on Family Services.

Messrs. Beckman and Novak introduced—

S.F. No. 330: A bill for an act relating to education; appropriating money to the department of trade and economic development for a youth entrepreneurship education program.

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

Ms. Lesewski, Mr. Larson, Ms. Johnston, Messrs. Bertram and Vickerman introduced—

S.F. No. 331: A bill for an act relating to the military; clarifying the use by the governor of the military forces; amending Minnesota Statutes 1992, section 190.02.

Referred to the Committee on Veterans and General Legislation.

Messrs. Neville, Knutson and Merriam introduced—

S.F. No. 332: A bill for an act relating to privacy of communications; pen registers, trap and trace devices, and mobile tracking devices; providing for the admissibility of evidence obtained through or resulting from installation or use of these devices in violation of law; amending Minnesota Statutes 1992, section 626A.35, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Vickerman, Murphy, Chmielewski and Bertram introduced—

S.F. No. 333: A bill for an act proposing an amendment to the Minnesota Constitution; article XI, section 5; providing for bonuses to veterans serving during the period of the Persian Gulf conflict.

Referred to the Committee on Veterans and General Legislation.

Messrs. Vickerman, Chmielewski, Mses. Hanson, Johnston and Mr. Murphy introduced—

S.F. No. 334: A bill for an act relating to traffic regulations; authorizing delayed arrest of driver and penalizing vehicle owner or lessee for failure to yield right-of-way to emergency vehicle; amending Minnesota Statutes 1992, section 169.20, by adding subdivisions.

Referred to the Committee on Transportation and Public Transit.

Mrs. Pariseau and Ms. Johnson, J.B. introduced—

S.F. No. 335: A bill for an act relating to human services; providing that child care centers may not prohibit the use of reusable diapers and must notify parents that they have a choice; amending Minnesota Statutes 1992, section 245A.14, by adding a subdivision.

Referred to the Committee on Family Services.

Messrs. Johnson, D.E.; Frederickson; McGowan and Ms. Olson introduced—

S.F. No. 336: A bill for an act relating to the legislature; redefining "legislative day" as any calendar day except a Saturday, Sunday, or holiday; amending Minnesota Statutes 1992, sections 3.011 and 3.012.

Referred to the Committee on Rules and Administration.

Mr. Novak, Ms. Anderson, Messrs. Kelly, Dille and Kroening introduced—

S.F. No. 337: A bill for an act relating to housing; establishing a family homeless prevention and assistance program; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Ms. Johnson, J.B.; Messrs. Johnson, D.J.; Metzen; Frederickson and Novak introduced—

S.F. No. 338: A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

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

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

### MOTIONS AND RESOLUTIONS

Ms. Berglin moved that S.F. No. 241 be withdrawn from the Committee on Family Services and re-referred to the Committee on Health Care. The motion prevailed.

### MEMBERS EXCUSED

Messrs. Kelly, Mondale, Pogemiller and Ms. Robertson were excused from the Session of today.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, February 18, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## FIFTEENTH DAY

St. Paul, Minnesota, Thursday, February 18, 1993

The Senate met at 9:30 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. Hugh Stephenson.

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

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

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.

February 12, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## GAMBLING CONTROL BOARD

Clarence S. Carter, 6150 Park Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective July 29, 1992, for a term expiring on June 30, 1996.

Mary K. McLeod, 4532 Dupont Ave. S., Minneapolis, Hennepin County, has been appointed by me, effective July 29, 1992, for a term expiring on June 30, 1996.

(Referred to the Committee on Gaming Regulation.)

Warmest regards,  
Arne H. Carlson, 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. 57. The motion prevailed.

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

S.F. No. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; proposing coding for new law as Minnesota Statutes, chapter 145C.

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

Page 10, after line 2, insert:

“Sec. 15. [EFFECTIVE DATE.]

*Section 13 is effective August 1, 1993, 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 Crime Prevention, to which was referred

S.F. No. 177: A bill for an act relating to crime; expanding the crime of solicitation of juveniles to include the solicitation of mentally impaired persons to commit a criminal act; amending Minnesota Statutes 1992, section 609.494.

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

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

S.F. No. 215: A bill for an act relating to courts; providing that the county law library fee may be collected in petty misdemeanor cases; amending Minnesota Statutes 1992, sections 134A.09, subdivision 2a; and 134A.10, subdivisions 3 and 4.

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

Page 1, lines 10 and 24, delete "*MISDEMEANORS*" and insert "*MISDEMEANOR CASES*"

Page 1, line 18, delete "*misdemeanors*" and insert "*misdemeanor cases*"

Page 1, line 25, strike "or county or county municipal"

Page 2, lines 2 and 3, strike "or county or county municipal"

Page 2, line 4, delete "*misdemeanors*" and insert "*misdemeanor cases*"

Page 2, line 14, delete the new language

Page 2, line 15, after "matters." insert ", including petty misdemeanor cases,"

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

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

S.F. No. 216: A bill for an act relating to domestic abuse; clarifying requirements for law enforcement domestic abuse arrest policies; amending Minnesota Statutes 1992, section 629.342, subdivision 2.

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

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

S.F. No. 234: A bill for an act relating to juvenile justice; defining "child in need of protection services" and "child abuse"; amending Minnesota Statutes 1992, section 260.015, subdivision 2a, and by adding a subdivision.

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

Page 1, line 14, reinstate the stricken language

Page 1, line 15, reinstate the stricken language and delete the new language

Page 1, line 16, reinstate the stricken language and before the comma, insert "*or child abuse as defined in subdivision 28*"

Page 3, line 11, delete "*609.321,*"

Amend the title as follows:

Page 1, line 3, after "protection" insert "or"

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 Crime Prevention, to which was referred

S.F. No. 274: A bill for an act relating to crime; authorizing warrantless arrests for assaults committed against a person with whom the offender has a child or unborn child in common; amending Minnesota Statutes 1992, section 629.341, subdivision 1.



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

Page 1, line 18, delete the comma

Page 1, lines 19 and 20, delete the new language

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

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

S.F. No. 275: A bill for an act relating to criminal procedure; venue of actions for illegal consumption of alcoholic beverages by minors; amending Minnesota Statutes 1992, section 340A.503, subdivision 1.

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

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

S.F. No. 237: A bill for an act relating to agriculture; directing the commissioner of agriculture to promote farming of cervidae and maintain a data base on research and information; declaring farmed cervidae to be livestock and raising farmed cervidae to be an agricultural pursuit; prohibiting owners from allowing farmed cervidae to run at large; prescribing conditions for slaughter and sale of farmed cervidae as meat, fencing requirements, disease inspection, importation, and transportation requirements; requiring identification; prescribing conditions for farming cervidae; defining cervidae farming as agricultural production for purposes of sales tax; defining fencing for purposes of sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; and 297A.01, subdivisions 13 and 15; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Page 1, line 27, delete "and"

Page 1, line 29, before the period, insert "; and

*(3) registered in a manner approved by the board of animal health and marked or identified with a unique number or other system approved by the board"*

Page 2, line 30, before "hunting" insert "game farm," and after "hunting" insert a comma

Page 3, line 4, after the period, insert "*The owner must notify the commissioner of natural resources of the escape of farmed red deer if the farmed red deer are not returned or captured by the owner within 72 hours of their escape.*"

Page 3, after line 8, insert:

*"(c) If an owner is unwilling or unable to capture escaped farmed cervidae, the commissioner of natural resources may destroy the escaped farmed*

*cervidae under this paragraph if the escaped farmed cervidae are a threat to the health or population of native species. The commissioner must allow the owner to attempt to capture the escaped farmed cervidae prior to destroying the farmed cervidae. Farmed cervidae that are not captured by 14 days after escape may be destroyed.*

*(d) The owner must notify the commissioner of natural resources of the escape of farmed cervidae from a quarantined herd if the farmed cervidae are not returned to or captured by the owner within 72 hours of their escape. The escaped farmed cervidae from the quarantined herd may be destroyed by the commissioner of natural resources if the escaped farmed cervidae are a threat to the health or population of native species.*

*Subd. 7. [FARMING IN NATIVE ELK AREA.] A person may not raise farmed cervidae in Rollis, Eckvoll, Moylan, Valley, Espelie, and Veldt townships of Marshall county and Benville and Lee townships in Beltrami county without written approval of the commissioner of natural resources. The commissioner shall review the proposed farming operation and approve with any condition or deny approval based on risks to the native elk population."*

Page 3, lines 18 and 19, after "for" insert "farmed"

Page 3, delete lines 20 to 22 and insert:

*"(b) The farmed cervidae advisory committee shall establish guidelines designed to prevent the escape of farmed cervidae and other appropriate management practices."*

Page 3, line 30, after the period, insert "The board shall authorize discrete permanent identification for farmed cervidae in public displays or other forums where visible identification is objectionable."

Page 3, after line 32, insert:

*"(c) The board of animal health shall register farmed cervidae upon request of the owner. The owner must submit the registration request on forms provided by the board. The forms must include sales receipts or other documentation of the origin of the cervidae. The board shall provide copies of the registration information to the commissioner of natural resources upon request. The owner must keep written records of the acquisition and disposition of registered farmed cervidae.*

*Subd. 12. [INSPECTION.] The commissioner of agriculture and the board of animal health may inspect farmed cervidae and farmed cervidae records. The commissioner of natural resources may inspect farmed cervidae and farmed cervidae records with probable cause that laws protecting native wild animals have been violated. The owner must be notified in writing at the time of the inspection of the reason for the inspection and informed in writing after the inspection of whether (1) the cause of the inspection was unfounded; or (2) there will be an ongoing investigation or continuing evaluation.*

*Subd. 13. [CONTESTED CASE HEARING.] A person raising farmed cervidae that is aggrieved with any decision regarding the farmed cervidae may request a contested case hearing under chapter 14."*

Renumber the subdivisions 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.

Ms. Piper from the Committee on Family Services, to which was referred S.F. No. 32: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

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

Page 1, line 12, delete everything after the comma and insert "or in a family home or in a group family"

Page 1, line 13, after "provider" insert "home"

Page 1, delete line 16 and insert:

*"Under section 1, the prohibition on smoking in day care licensed under Minnesota Rules, parts 9503.0005 to 9503.0175, is effective immediately, and the prohibition on smoking in day care licensed under Minnesota Rules, parts 9502.0300 to 9502.0445, is effective March 1, 1994."*

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

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

S.F. No. 57: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1992, sections 363.06, subdivision 3; and 363.116.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, 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, specifica-

tion, or discrimination based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age;  
or

*(d) require or request the person to furnish information regarding any complaints or charges the person has made alleging unlawful discrimination.*

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 a number of part-time or full-time employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year equal to or greater than 25 effective July 1, 1992, and equal to or greater than 15 effective July 1, 1994, 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, reassignment to a vacant position, 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. 2. Minnesota Statutes 1992, section 363.06, subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING CLAIM.] A claim of an unfair discriminatory practice must be brought as a civil action pursuant to section 363.14, subdivision 1, clause (a), filed in a charge with a local commission pursuant to section 363.116, or filed in a charge with the commissioner within ~~one year~~ *two years* after the occurrence of the practice. The running of the ~~one year~~ *two-year* limitation period is suspended during the time a potential charging party and respondent are voluntarily engaged in a dispute resolution process involving a claim of unlawful discrimination under this chapter, including arbitration, conciliation, mediation or grievance procedures pursuant to a collective bargaining agreement or statutory, charter, ordinance provisions for a civil service or other employment system or a school board sexual harassment or sexual violence policy. A potential respondent who participates in such a process with a potential charging party before a charge is filed or a civil action is brought shall notify the department and the charging party in writing of the participation in the process and the date the process commenced and shall also notify the department and the charging party of the ending date of the process. A respondent who fails to provide this notification is barred from raising the defense that the statute of limitations has run unless ~~one year~~ *two years* plus a period of time equal to the suspension period has passed.

Sec. 3. Minnesota Statutes 1992, 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 ~~one year~~ *two years* 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. 4. [363.16] [LIMITATION ON DISCOVERY AND ADMISSION OF EVIDENCE.]

*In any action, hearing, or proceeding involving allegations alleging sexual harassment, evidence regarding the complainant's sexual conduct with individuals other than the alleged perpetrator or evidence of the medical or psychological history of the complainant more than one year prior to the alleged sexual harassment is not discoverable or admissible unless the party seeking discovery or admission makes the showing required under this*

*section. The evidence is not discoverable unless the party establishes specific facts showing good cause to believe that the evidence is material and relevant to the subject matter of the action. The evidence is not admissible unless the party makes a substantial showing that the evidence is material and relevant to the subject matter of the action. The showing must be made by noticed motion and may not be made or considered ex parte.*

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 2 and 3 are effective August 1, 1993, and apply to unfair discriminatory practices that occur on or after August 1, 1992."*

Delete the title and insert:

"A bill for an act relating to human rights; prohibiting employers from asking employees regarding unlawful discrimination complaints; lengthening the statute of limitations for human rights act violations; limiting the discovery and admission of certain evidence in sexual harassment cases; amending Minnesota Statutes 1992, sections 363.03, subdivision 1; 363.06, subdivision 3; and 363.116; proposing coding for new law in Minnesota Statutes, chapter 363."

And when so amended the bill do pass. Mr. Knutson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 40, 177, 215, 216, 274, 275 and 32 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Marty moved that the name of Mr. Cohen be added as a co-author to S.F. No. 57. The motion prevailed.

Mr. Vickerman moved that his name be stricken as a co-author to S.F. No. 82. The motion prevailed.

Mr. Solon moved that the names of Messrs. Riveness and Vickerman be added as co-authors to S.F. No. 118. The motion prevailed.

Mr. Merriam moved that the name of Mr. Beckman be added as a co-author to S.F. No. 177. The motion prevailed.

Mr. Stumpf moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 189. The motion prevailed.

Mr. Stumpf moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 229. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Stumpf be added as a co-author to S.F. No. 246. The motion prevailed.

Mr. Merriam moved that the name of Mr. Marty be added as a co-author to S.F. No. 247. The motion prevailed.

Mr. Chandler moved that the name of Ms. Berglin be added as a co-author to S.F. No. 285. The motion prevailed.

Ms. Pappas moved that the name of Mr. Luther be added as a co-author to S.F. No. 301. The motion prevailed.

Mr. Merriam moved that the name of Mr. Finn be added as a co-author to S.F. No. 305. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Sams be added as a co-author to S.F. No. 315. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Solon be added as a co-author to S.F. No. 317. The motion prevailed.

Ms. Kiscaden moved that the name of Ms. Berglin be added as a co-author to S.F. No. 327. The motion prevailed.

Mr. Beckman moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 330. The motion prevailed.

Mr. Frederickson moved that S.F. No. 169 be withdrawn from the Committee on Health Care and re-referred to the Committee on Education. The motion prevailed.

Mr. Finn moved that S.F. No. 290 be withdrawn from the Committee on Education and returned to its author. The motion prevailed.

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

Senate Resolution No. 24: A Senate resolution honoring the accomplishments and public service career of Robert G. Dunn.

WHEREAS, Robert G. (Bob) Dunn has an almost 30-year distinguished record of public service for the state; and

WHEREAS, Bob Dunn honorably served his country during World War II and the Korean War in two separate terms with the United States Marine Corps; and

WHEREAS, Bob Dunn was an effective and respected member of both the House of Representatives and the state Senate for 16 years; and

WHEREAS, Bob Dunn championed many pieces of innovative legislation, especially in the environmental arena, in authoring the environmental policy act, the waste management act, water resources law, and the original snowmobile legislation; and

WHEREAS, Bob Dunn served as the first chair of the Waste Management Board, serves as the present chair of the Environmental Quality Board, and has served on many other state commissions and committees; and

WHEREAS, Bob Dunn has served faithfully and loyally three different Governors representing both political parties; and

WHEREAS, Bob Dunn is widely known for his wisdom, his judgment, his common sense, his integrity, his statesmanship, and his dedication to making Minnesota a better place for present and future generations; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it honors Bob Dunn for his outstanding years of public service, and that this resolution be read tonight at a dinner held for Mr. Dunn.



BE IT FURTHER RESOLVED that the Senate wishes Bob Dunn continued years of state public service on behalf of all Minnesotans.

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 Chair of the Senate Rules and Administration Committee, and transmit it to Robert G. Dunn.

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. Vickerman, Ms. Hanson, Messrs. Murphy, Chmielewski and Larson introduced—

S.F. No. 339: A bill for an act relating to veterans affairs; establishing a grant program to enhance the effectiveness of county veterans service offices; increasing the complement of the department of veterans affairs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

Referred to the Committee on Veterans and General Legislation.

Messrs. Vickerman; Moe, R.D.; Larson; Finn and McGowan introduced—

S.F. No. 340: A bill for an act relating to the military; entering into the National Guard mutual assistance counterdrug activities compact; proposing coding for new law in Minnesota Statutes, chapter 192.

Referred to the Committee on Veterans and General Legislation.

Messrs. Marty; Spear; Belanger; Johnson, D.E. and Luther introduced—

S.F. No. 341: A bill for an act relating to commerce; authorizing local units of government to license the retail sale of tobacco; requiring a county to license the retail sale of tobacco under certain conditions; providing for mandatory suspension of licenses for sales to minors; amending Minnesota Statutes 1992, sections 461.12; 461.13; and 461.15; proposing coding for new law in Minnesota Statutes, chapter 461.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Belanger, Mrs. Pariseau, Mr. Neuville, Ms. Wiener and Mr. Metzen introduced—

S.F. No. 342: A bill for an act relating to obscenity; extending prohibitions of dissemination of display of sexually explicit material which is harmful to minors to noncommercial situations; inserting reference to videotapes; prescribing penalties; amending Minnesota Statutes 1992, sections 617.291; 617.293; 617.294; 617.295; 617.296; and 617.297; repealing Minnesota Statutes 1992, section 617.296, subdivision 1a.

Referred to the Committee on Crime Prevention.

Mrs. Pariseau, Mr. Knutson, Ms. Runbeck, Messrs. Neuville and McGowan introduced—

S.F. No. 343: A bill for an act relating to elections; campaign finance; prohibiting certain caucus fundraisers during legislative sessions; prohibiting the transfer of funds from one candidate's principal campaign committee to another candidate's principal campaign committee; prohibiting the formation of more than one campaign committee by a candidate; prohibiting certain contributions by political funds; requiring reports of contributions and expenditures; requiring that recipients of public subsidies agree to raise at least one-half of private contributions from individual constituents; amending Minnesota Statutes 1992, sections 10A.065, subdivisions 1 and 5; 10A.13; 10A.14, subdivision 2; 10A.15, subdivisions 1 and 2; 10A.17, subdivision 2; 10A.19, subdivision 1; 10A.20, subdivisions 3, 5, and 6; 10A.27, subdivision 9; 10A.322, by adding a subdivision; 10A.323; and 10A.324, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1992, section 10A.17, subdivision 3.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Anderson, Mr. Novak, Ms. Johnson, J.B.; Messrs. Metzen and Dille introduced—

S.F. No. 344: A bill for an act relating to housing; establishing a mortgage foreclosure prevention program; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Ms. Berglin introduced—

S.F. No. 345: A bill for an act relating to health; modifying definitions related to residential care homes; amending Minnesota Statutes 1992, section 144B.01, subdivisions 2, 5, and by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Sams, Bertram, Berg, Morse and Dille introduced—

S.F. No. 346: A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, by adding a subdivision.

Referred to the Committee on Agriculture and Rural Development.

Mr. Samuelson introduced—

S.F. No. 347: A bill for an act relating to state parks; authorizing an addition to Charles A. Lindbergh state park.

Referred to the Committee on Environment and Natural Resources.

Ms. Anderson introduced—

S.F. No. 348: A bill for an act relating to highways; prohibiting improvement, expansion, or reconstruction of highway 280 until the environmental review process is complete; requiring the metropolitan council to complete the

environmental impact statement for reconstruction of highway 280; providing for allocation of costs; prohibiting variances from state noise standards.

Referred to the Committee on Transportation and Public Transit.

Mr. Morse introduced—

S.F. No. 349: A bill for an act relating to education; updating the name of the umbrella student association for technical colleges; amending Minnesota Statutes 1992, section 136C.15.

Referred to the Committee on Education.

Messrs. Knutson, Day, Chandler, Mses. Krentz and Ranum introduced—

S.F. No. 350: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

Referred to the Committee on Family Services.

Ms. Anderson and Mr. Moe, R.D. introduced—

S.F. No. 351: A bill for an act relating to elections; raising the public campaign financing checkoff amount; prohibiting acceptance by certain candidates of contributions from political funds and political committees; requiring media to provide equal access to all major political party candidates; amending Minnesota Statutes 1992, sections 10A.31, subdivisions 1 and 3; 10A.322, by adding a subdivision; and 10A.335; proposing coding for new law in Minnesota Statutes, chapter 211B.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Betzold, Mses. Berglin, Kiscaden, Mr. Samuelson and Ms. Flynn introduced—

S.F. No. 352: A bill for an act relating to human services; requiring the commissioner of human services to investigate child maltreatment in publicly licensed day care facilities; amending Minnesota Statutes 1992, section 626.556, subdivision 10b.

Referred to the Committee on Family Services.

Mses. Piper, Berglin and Mrs. Adkins introduced—

S.F. No. 353: A bill for an act relating to insurance; accident and health; regulating coverage for the use of off-label drugs; amending Minnesota Statutes 1992, sections 43A.23, subdivision 1; and 62A.011, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Finn introduced—

S.F. No. 354: A bill for an act relating to education; authorizing certain fund transfers under certain conditions; amending Minnesota Statutes 1992, section 124.243, subdivision 8.

Referred to the Committee on Education.

Mr. Vickerman, Ms. Lesewski, Messrs. Murphy and Beckman introduced—

S.F. No. 355: A bill for an act relating to economic development; authorizing planning and final system design for connecting rural southwest Minnesota water systems to a federal water system; appropriating money.

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

Ms. Ranum, Messrs. Spear, McGowan and Beckman introduced—

S.F. No. 356: A bill for an act relating to chemical abuse; transferring responsibility for creation of a chemical health index model from the department of public safety to the department of human services; appropriating money for research concerning chemical abuse and for its treatment; proposing coding for new law in Minnesota Statutes, chapter 254A; repealing Minnesota Statutes 1992, section 299A.325.

Referred to the Committee on Health Care.

Mses. Berglin, Pappas, Flynn, Mr. Betzold and Ms. Ranum introduced—

S.F. No. 357: A bill for an act relating to transportation; defining highways and highway purposes; authorizing use of highway user tax distribution funds for general transportation purposes; prescribing metropolitan area highway projects and planning; providing tax deductions and credits for transit costs; authorizing bonds for light rail construction; appropriating money; amending Minnesota Statutes 1992, sections 160.02, subdivision 7; 174.01, subdivision 2; 290.01, subdivisions 19b, 19d, and by adding a subdivision; 473.146, subdivision 3; and 473.371, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 161; 290; and 473.

Referred to the Committee on Transportation and Public Transit.

Mr. Spear, Ms. Wiener and Mr. Chandler introduced—

S.F. No. 358: A bill for an act relating to alcoholic beverages; legalizing the possession, consumption, sale, and furnishing of alcoholic beverages in limousines and chartered buses; imposing restrictions and liability; amending Minnesota Statutes 1992, sections 169.122, by adding a subdivision; and 340A.801, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 340A.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Murphy introduced—

S.F. No. 359: A bill for an act relating to state lands; prohibiting use of state lands for motorsports parks or facilities.

Referred to the Committee on Environment and Natural Resources.

Messrs. Neuville, McGowan, Spear, Kelly and Marty introduced—

S.F. No. 360: A bill for an act relating to drivers' licenses; providing for pilot program for use of ignition interlock device to be conducted for two years beginning January 1, 1994; amending Minnesota Statutes 1992, section 171.305, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Murphy and Benson, D.D. introduced—

S.F. No. 361: A bill for an act relating to public safety; extending existence of Minnesota advisory council on fire protection systems; amending Minnesota Statutes 1992, section 299M.02, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mr. Samuelson, Ms. Berglin, Messrs. Sams, Stevens and Ms. Piper introduced—

S.F. No. 362: A bill for an act relating to human services; requiring the department of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

Referred to the Committee on Health Care.

Messrs. Kelly, Hottinger, Mses. Flynn and Runbeck introduced—

S.F. No. 363: A bill for an act relating to local government; transferring authority for incorporations, detachments, and annexations to the office of administrative hearings and the office of strategic and long-range planning; providing a single annexation procedure; amending Minnesota Statutes 1992, sections 414.01, subdivisions 1, 14, 15, 16, and by adding a subdivision; 414.011, subdivisions 7 and 8; 414.012; 414.02; 414.031; 414.035; 414.041; 414.051; 414.06; 414.061; 414.063; 414.067; 414.07; 414.08; and 414.09; repealing Minnesota Statutes 1992, sections 414.01, subdivisions 2, 3, 3a, 4, 5, 6a, 7a, 8, 10, 11, and 12; 414.0325; 414.033; and 414.036.

Referred to the Committee on Metropolitan and Local Government.

Mr. Hottinger, Ms. Runbeck, Mr. Mondale, Ms. Flynn and Mr. Kelly introduced—

S.F. No. 364: A bill for an act relating to the municipal board; providing for the composition of the board; amending Minnesota Statutes 1992, section 414.01, subdivision 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Hottinger, Mses. Flynn, Runbeck and Mr. Mondale introduced—

S.F. No. 365: A bill for an act relating to local government; providing procedures and criteria for municipal annexations; providing for the application of city development regulations; amending Minnesota Statutes 1992, sections 414.01, subdivision 14, and by adding a subdivision; 414.031, subdivision 4; 414.0325, subdivisions 1, 1a, and by adding a subdivision; 414.033, subdivisions 2, 2a, 3, 5, and by adding subdivisions; 414.035; 414.061, subdivision 5; 414.07, subdivision 1; 414.09, subdivisions 1 and 2; 462.357, subdivision 1; and 462.358, subdivision 1a.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Berg, Lessard and Frederickson introduced—

S.F. No. 366: A bill for an act relating to game and fish; allowing importation of minnows for raising and export; amending Minnesota Statutes 1992, section 97C.515, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

Messrs. Belanger, Terwilliger, Beckman, Mses. Reichgott and Ranum introduced—

S.F. No. 367: A bill for an act relating to education; allowing school districts to provide varying hours of instruction during a school day; amending Minnesota Statutes 1992, section 124.19, subdivision 4.

Referred to the Committee on Education.

Mrs. Benson, J.E.; Mr. Larson, Ms. Olson, Mr. Frederickson and Ms. Johnson, J.B. introduced—

S.F. No. 368: A bill for an act relating to capital improvements; authorizing bonds and appropriating money to complete certain capital planning at St. Cloud State University.

Referred to the Committee on Education.

Mrs. Benson, J.E.; Mr. Larson, Ms. Olson, Mr. Frederickson and Ms. Johnson, J.B. introduced—

S.F. No. 369: A bill for an act relating to capital improvements; authorizing bonds and appropriating money to acquire land adjacent to St. Cloud State University campus.

Referred to the Committee on Education.

Messrs. Spear, Hottinger, Kelly, Ms. Flynn and Mr. Merriam introduced—

S.F. No. 370: A bill for an act relating to crime; prohibiting storing a firearm so that a child may gain access; requiring firearms dealers to post certain notices; proposing coding for new law in Minnesota Statutes, chapters 609 and 624.

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

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

S.F. No. 371: A resolution memorializing the President and Congress to retain the Grand Forks Air Force Base, Grand Forks, North Dakota.

Referred to the Committee on Veterans and General Legislation.

Mr. Merriam, Ms. Flynn, Messrs. Marty, Larson and Johnson, D.E. introduced—

S.F. No. 372: A bill for an act relating to health; clean indoor air act; adding common areas of apartments and condominiums to public places where smoking is prohibited; amending Minnesota Statutes 1992, section 144.413, subdivision 2.

Referred to the Committee on Health Care.

Messrs. Janezich; Johnson, D.E.; Mrs. Adkins, Messrs. Dille and Langseth introduced—

S.F. No. 373: A bill for an act relating to state lands; roads established, upgraded, or improved to serve state leased or platted lands; expenditures by counties or towns; commissioner of natural resources' duties; amending Minnesota Statutes 1992, section 92.46, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

Messrs. Kroening; Metzen; Moe, R.D.; Johnson, D.E. and Solon introduced—

S.F. No. 374: A bill for an act relating to public safety; requiring installation of automatic sprinkler systems in certain existing high-rise buildings; excluding the market value of these systems for purposes of property taxation; amending Minnesota Statutes 1992, section 273.11, subdivision 6a; proposing coding for new law in Minnesota Statutes, chapter 299F.

Referred to the Committee on Governmental Operations and Reform.

Mr. Larson introduced—

S.F. No. 375: A bill for an act relating to education; independent school district No. 206, Alexandria; providing for the beginning of board terms.

Referred to the Committee on Education.

Messrs. Metzen, Riveness, Morse and Terwilliger introduced—

S.F. No. 376: A bill for an act relating to the state board of investment; management of funds under board control; amending Minnesota Statutes 1992, sections 11A.08, subdivision 4; 11A.14, subdivisions 1, 2, 4, and 5; 11A.24, subdivisions 1 and 4; 69.77, subdivision 2g; 69.775; 116P.11; 352.96, subdivision 3; 356.24, subdivision 1; and 424A.06, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Mses. Berglin, Kiscaden and Mr. Pogemiller introduced—

S.F. No. 377: A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873; subdivision 2, and by adding a subdivision; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

Referred to the Committee on Health Care.

Mr. Bertram introduced—

S.F. No. 378: A bill for an act relating to family services; requiring adoption agencies to place the child in foster care for the ten working days when a birth parent's consent to the adoption can be withdrawn; requiring the birth parent to pay for costs of foster care if consent is withdrawn, and adoptive parent to pay if the adoption is successful; amending Minnesota Statutes 1992, section 259.24, subdivision 6a.

Referred to the Committee on Family Services.

Mses. Anderson, Pappas, Messrs. Johnson, D.E.; Luther and Spear introduced—

S.F. No. 379: A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 6, allowing eligible voters 18 years old to hold elective office in a political subdivision.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Hottinger, Ms. Berglin, Messrs. Solon; Benson, D.D. and Ms. Piper introduced—

S.F. No. 380: A bill for an act relating to health; the dental hygiene act; establishing a board of dental hygiene; regulating the practice of dental hygiene; establishing fees; providing licensing provisions; providing penalties; amending Minnesota Statutes 1992, sections 150A.02; 150A.05, subdivision 2; 150A.06, subdivisions 3, 4, 5, and 6; 150A.08, subdivisions 1 and 5; 150A.09, subdivision 1; and 150A.12; proposing coding for new law as Minnesota Statutes, chapter 150B; repealing Minnesota Statutes 1992, sections 150A.01, subdivision 4; 150A.06, subdivision 2; and 150A.10, subdivision 1.

Referred to the Committee on Health Care.

Mr. Beckman introduced—

S.F. No. 381: A bill for an act relating to capital improvements; creating a capital bonding program for school building accessibility projects; modifying the capital expenditure disabled access levy; authorizing the issuance and sale of state bonds; appropriating money; amending Minnesota Statutes 1992, section 124.84, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 124C.

Referred to the Committee on Education.

Ms. Pappas, Messrs. Hottinger; Johnson, D.J.; Solon and Finn introduced—

S.F. No. 382: A bill for an act relating to health care; creating the Minnesota health assurance board; requiring peer review for practice parameters; requiring health plans to disclose overheads; designating the commissioner of administration as the sole purchaser of prescription drugs; limiting the promotion of prescription drugs; restricting underwriting and premium rating practices; permitting administrative rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 62A.65, subdivision 5, and by adding a subdivision; 62J.03, by adding subdivisions; 62J.04, subdivision 1,



and by adding a subdivision; 62J.09, subdivisions 1, 2, 6, 7, and by adding a subdivision; 62J.15, subdivision 2; 62J.17, subdivisions 5 and 6; 62J.32, subdivision 3; 62J.34, subdivision 2; 62L.03, subdivision 4, and by adding a subdivision; 62L.08, subdivisions 2, 3, 4, and by adding subdivisions; and 256B.0625, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 72A; and 151; repealing Minnesota Statutes 1992, sections 62J.04, subdivisions 3, 4, 5, and 6; 62J.05; 62J.09, subdivisions 3, 4, and 8; 62J.17, subdivisions 5 and 6; 62J.19; and 62J.21.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Pappas, Anderson, Mr. Spear and Ms. Berglin introduced—

S.F. No. 383: A resolution memorializing Congress to grant statehood to the District of Columbia.

Referred to the Committee on Veterans and General Legislation.

Ms. Berglin, Messrs. Betzold, Sams and Vickerman introduced—

S.F. No. 384: A bill for an act relating to creditors remedies; regulating executions and garnishments; providing that executions and garnishments on child support judgments are effective until the judgments are satisfied; amending Minnesota Statutes 1992, sections 550.135, subdivision 10; 550.136, subdivisions 3, 4, and 5; 551.04, subdivisions 2 and 11; 551.06, subdivisions 3, 4, and 5; 571.72, subdivision 7; 571.73, subdivision 3; 571.922; and 571.923.

Referred to the Committee on Judiciary.

Ms. Reichgott, Messrs. Luther, Chandler and Spear introduced—

S.F. No. 385: A bill for an act relating to civil actions; adopting the discovery rule for medical malpractice statutes of limitation; amending Minnesota Statutes 1992, section 541.07.

Referred to the Committee on Judiciary.

Messrs. Vickerman, Chmielewski, Novak, Mses. Olson and Johnston introduced—

S.F. No. 386: A bill for an act relating to drivers' licenses; raising fee for two-wheeled vehicle endorsement; amending Minnesota Statutes 1992, section 171.06, subdivision 2a.

Referred to the Committee on Transportation and Public Transit.

Messrs. Kelly; Chandler; Moe, R.D.; Marty and Novak introduced—

S.F. No. 387: A bill for an act relating to employment; increasing the minimum wage; amending Minnesota Statutes 1992, section 177.24, subdivision 1.

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

Mr. Johnson, D.J. introduced—

S.F. No. 388: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Cook county.

Referred to the Committee on Environment and Natural Resources.

Mr. Johnson, D.J. introduced—

S.F. No. 389: A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Cook county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Johnson, D.J. and Janezich introduced—

S.F. No. 390: A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Referred to the Committee on Education.

Ms. Flynn, Mr. Merriam, Mses. Berglin and Pappas introduced—

S.F. No. 391: A bill for an act relating to education; making superintendents and principals at-will positions in school districts; amending Minnesota Statutes 1992, sections 123.34, subdivisions 9 and 10; and 125.12, subdivision 1.

Referred to the Committee on Education.

Messrs. Riveness; Sams; Metzen; Johnson, D.J. and McGowan introduced—

S.F. No. 392: A bill for an act relating to crime; providing for life imprisonment without parole for persons convicted of first degree murder involving the death of a peace officer or correctional facility guard; providing mandatory minimum sentences for persons convicted of first degree assault, or promoting or profiting from the prostitution of a minor under the age of 16; providing mandatory minimum felony penalties for intentionally discharging a firearm at a dwelling or at a motor vehicle that is on a public road; eliminating juvenile court jurisdiction over juveniles who are 16 years old or older and accused of first degree murder; expanding the prima facie juvenile court reference law to include juveniles who are 14 years old or older; expanding the sex offender registration law; appropriating money; amending Minnesota Statutes 1992, sections 243.166, subdivisions 1, 3, and 6; 244.05, subdivisions 4 and 5; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.055, subdivision 2; 609.184, subdivision 2; 609.185; 609.221; 609.322, subdivision 1; 609.323, subdivision 1; and 609.66, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Mr. Solon introduced—

S.F. No. 393: A bill for an act relating to liquor; penalties for importation of excess quantities; amending Minnesota Statutes 1992, section 297C.09.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Solon, Metzen, Luther, Belanger and Ms. Olson introduced—

S.F. No. 394: A bill for an act relating to financial institutions; permitting contracts between financial institutions to accept deposits and honor withdrawals; proposing coding for new law in Minnesota Statutes, chapter 47.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Pogemiller introduced—

S.F. No. 395: A bill for an act relating to real property; providing that rents from nonhomesteaded agricultural property may be assigned; amending Minnesota Statutes 1992, sections 559.17, subdivision 2; and 576.01, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mses. Olson, Robertson, Messrs. Larson, Terwilliger and Knutson introduced—

S.F. No. 396: A bill for an act relating to education; establishing the department of children and education services; giving it responsibilities; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 119A; repealing Minnesota Statutes 1992, sections 121.02; 121.03; 121.04; 121.05; 121.06; 121.11; 121.14; 121.16; 124.62; 136A.01; 136A.02, subdivisions 1, 3, 5, and 5a; 136A.03; and 256H.195.

Referred to the Committee on Education.

Messrs. McGowan and Chmielewski introduced—

S.F. No. 397: A bill for an act relating to highways; allowing county state-aid highway money to be used for certain equipment for emergency responders; amending Minnesota Statutes 1992, section 162.08, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Mr. Knutson and Ms. Piper introduced—

S.F. No. 398: A bill for an act relating to human services; defining MSA equivalent rate and medical assistance room and board rate; determining an individual eligible for group residential housing payment; establishing guidelines for county approval of group residential housing payment for an individual; changing the date of eligibility for a group residential housing payment; providing for licensure of group residential housing; defining agreements between county agencies and providers of group residential housing; eliminating battered women's shelters as group residential housing; creating service payments to group residences; creating exceptions to rates negotiated for group residential housing; amending Minnesota Statutes 1992, sections 256I.01; 256I.02; 256I.03, subdivisions 2 and 3, and by adding subdivisions; 256I.04, subdivisions 1, 2, and 3, and by adding subdivisions; 256I.05, subdivisions 1, 1a, 4, and 8, and by adding a subdivision; and 256I.06.

Referred to the Committee on Family Services.

Messrs. Stevens; Riveness; Benson, D.D.; Samuelson and Ms. Robertson introduced—

S.F. No. 399: A bill for an act relating to human services; modifying the STRIDE program; requiring a work component; modifying the aid to families with dependent children program; amending Minnesota Statutes 1992, sections 256.73, subdivisions 2, 3a, and 5; 256.736, subdivisions 10, 10a, 14, and 16; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; and 256.74, subdivision 1.

Referred to the Committee on Family Services.

Messrs. Day, Sams and Benson, D.D. introduced—

S.F. No. 400: A bill for an act relating to human services; changing persons ineligible for general assistance medical care and work readiness and general assistance benefits; defining nonimmigrant; expanding conditions for work registration and work readiness requirements; requiring counties to operate a work experience component for recipients required to participate in work readiness employment and training services; amending Minnesota Statutes 1992, sections 256D.03, subdivision 3; 256D.05, by adding a subdivision; 256D.051, subdivisions 1, 1a, 2, 6, and by adding a subdivision; 256D.091, subdivision 3; repealing Minnesota Statutes 1992, section 256D.113.

Referred to the Committee on Family Services.

Mr. Hottinger introduced—

S.F. No. 401: A bill for an act relating to occupations and professions; changing education requirements for certification and licensure as a certified public accountant; authorizing rulemaking; amending Minnesota Statutes 1992, sections 326.19; and 326.20, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Chmielewski introduced—

S.F. No. 402: A bill for an act relating to cemeteries; providing for burials in the winter season; proposing coding for new law in Minnesota Statutes, chapter 306.

Referred to the Committee on Veterans and General Legislation.

Messrs. Hottinger, Solon, Spear, Belanger and Finn introduced—

S.F. No. 403: A bill for an act relating to housing and hotels; amending reasons for innkeeper ejection and refusal to admit persons; establishing parent or guardian responsibility for guests who are minors; establishing liability for damage to hotel or personal property or injury to persons; requiring notice; amending Minnesota Statutes 1992, sections 327.70, subdivision 3, and by adding a subdivision; and 327.73, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 327.

Referred to the Committee on Judiciary.

Ms. Runbeck, Mrs. Pariseau, Messrs. Chandler and Marty introduced—

S.F. No. 404: A bill for an act relating to transportation; providing for a hearing to resolve disputes over establishment of public pedestrian-bicycle trails over railroad tracks; amending Minnesota Statutes 1992, section 219.072.

Referred to the Committee on Transportation and Public Transit.

Messrs. Solon, Janezich and Johnson, D.J. introduced—

S.F. No. 405: A bill for an act relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

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

#### MEMBERS EXCUSED

Ms. Krentz was excused from the Session of today.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, February 22, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SIXTEENTH DAY

St. Paul, Minnesota, Monday, February 22, 1993

The Senate met at 11:00 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 Senator Pat Piper.

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

The President declared a quorum present.

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

### REPORTS FILED WITH THE SECRETARY OF THE SENATE

The following reports were received and filed by the Secretary of the Senate: Department of Human Services, Minnesota Supplemental Aid Program, Annual Report, 1991; Public Employees Retirement Association, Comprehensive Annual Financial Report, 1992; Department of Health, Alternative Financing of the Public Water Supply Program, 1992; Department of Corrections, Electronic Monitoring to Protect Victims of Domestic Abuse, 1993; University of Minnesota, Annual Report, 1992; Southeastern Minnesota Regional Stars Advisory Committee, Southeast Stars Regional Telecommunications Development Pilot Project; Minnesota Sentencing Guidelines Commission, 1993; Department of Human Services, Medical Care Surcharge

Report, 1993; Department of Human Services, Minnesota Compulsive Gambling Treatment Program, 1993; Department of Human Services, Transition Year Family Access to Basic Sliding Fee Child Care Assistance, 1992; Department of Human Services, Regional Treatment Centers Chemical Dependency Treatment Network, 1993; Department of Human Services, Supplemental Security Income Conversion, 1993; Department of Human Services, Children's Trust Fund, Biennial Report, 1993; Department of Human Services, Status of the Child Support Enforcement System, 1993; Metropolitan Agencies, Personnel, Ethical Practices and Communication Activities, 1993; Metropolitan Agencies, Consolidated Financial Report, 1992; Office of the State Auditor, Revenues, Expenditures, and Debt of Minnesota Cities Over 2500 in Population, 1991; Office of the State Auditor, Revenues, Expenditures, and Debt of Minnesota Cities Under 2500 in Population, 1991; Department of Finance, Governor's Debt Capacity Forecast, 1993; Department of Transportation, Rail User Loan Guarantee Program, 1992; Metropolitan Council, Annual Report and Appendix, 1992; Department of Jobs and Training, Youth Employment and Housing Program, 1993; Department of Jobs and Training, Youth Employment and Training Programs, 1992; Department of Jobs and Training, Youth Wage Subsidy Program, 1993; Board of Optometry, Biennial Report, July 1, 1990 to June 30, 1992; Department of Public Safety, Alcohol and Other Drug Abuse Strategy, 1993; Minnesota-Wisconsin Boundary Area Commission, Corrected Copy, Biennial Report, 1991-92; Department of Human Services, Process to Increase the Collection of Child Support Arrearages and to Institute Cost Recovery in Child Support Enforcement, 1993; Board of Architecture, Engineering, Land Surveying Landscape Architecture, Biennial Report, July 1, 1990 to June 30, 1992; Minnesota Health Care Commission, Containing Costs in Minnesota's Health Care System, 1993; Department of Corrections, Biennial Report, 1991-92; Public Utilities Commission, Provision and Maintenance of the Minnesota Telecommunications Relay Service and the Equipment Distribution Program Provided by the Telecommunications Access for Communications-Impaired Persons (TACIP) Board, 1993; Department of Health, Maternal and Child Health Services Block Grant, 1993; Department of Administration, Energy Efficiency Program in State-Owned and Wholly State-Leased Buildings, 1993; Department of Administration, 1994-95 Information System Funding Recommendations; Department of Administration, Expansion of Minnesota's Bookstore, 1993; Minnesota Zoo, Face to Face, Annual Report, 1992; Department of Employee Relations, Local Government Pay Equity Compliance Report, 1993; Metropolitan Council, Regional Parks Operations and Maintenance Grants, 1993; Department of Human Services, Medical Transportation Provider Issues Regarding Coverage and Payment Through the Medical Assistance and General Assistance Medical Care Programs, 1993; Department of Trade and Economic Development, Tourism Information/Reservation Systems, 1993; State Board of Investment, External Money Manager Report; Lake Superior Center Authority, Annual Report, 1992; Metropolitan Council, Annual Contingency Assessment, Major Airport Strategy, 1992; Department of Human Services, School-Linked Services, 1993; Minnesota Cold Weather Resource Center, Annual Report, 1992; Board of Pardons, Annual Report, 1993; Department of Administration, Regulation of Health Maintenance Organizations, 1993; Department of Human Services, MinnesotaCare Wellness Component: A Method to Incorporate Wellness Factors into the MinnesotaCare Premium

Structure, 1993; Department of Corrections, Pilot Program, Testing the Effectiveness of Pharmacological Agents, 1993.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

February 18, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	35	3	3:25 p.m. February 17	February 17

Sincerely,  
Joan Anderson Growe  
Secretary of State

### REPORTS OF COMMITTEES

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 149: A bill for an act relating to municipal contracting; contracting for planning services; requiring that contracts entered into by municipalities for planning services provide that the plans produced under the contracts become the property of the municipalities; 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 1, line 23, after the period, insert "*Nothing in this subdivision prohibits a municipality from transferring its ownership rights subsequent to the completion of the contract.*"

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 233: A bill for an act relating to local government; providing for



the publication of certain accounts and delinquent property tax information; amending Minnesota Statutes 1992, sections 279.09; 281.13; 281.23, subdivision 3; and 375.17.

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 1992, section 279.09, is amended to read:  
279.09 [PUBLICATION OF NOTICE AND LIST.]

The county auditor shall cause the notice and list of delinquent real property to be published ~~once in each of two consecutive weeks~~ twice in the newspaper designated. The first publication of which shall be made on or before March 20 immediately following the filing of such list with the court administrator of the district court. *The second publication shall occur during the fourth week following the first publication. The first publication may include a notice stating that if taxes for a parcel are paid in full not less than one week before the second publication, that parcel and information relating to it will not appear in the second publication. The county auditor shall act in accordance with the notice. Publication charges for the second publication may not exceed the publication charges for the first publication.* The auditor shall deliver such list to the publisher of the newspaper designated, at least 20 days before the date upon which the list shall be published for the first time.”

Page 4, line 32, strike “\$5,000” and insert “\$100”

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

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

S.F. No. 109: A bill for an act relating to financial institutions; state banks; regulating the acquisition of a bank or savings association for operation as a detached facility; amending Minnesota Statutes 1992, section 49.34, subdivision 2.

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

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

S.F. No. 238: A bill for an act relating to agriculture; changing the bases for certain milk payments; amending Minnesota Statutes 1992, section 32.25, subdivision 1.

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

Page 2, after line 6; insert:

“Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective upon adoption of the upper midwest (68) federal milk marketing orders which would permit pricing by all purchasers on a basis other than weight and milk fat content.”*

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

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

S.F. No. 112: A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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

Page 2, line 11, delete "DIRECTOR" and insert "DIRECTORS"

Page 2, line 19, delete "directorship" and insert "directorships"

Page 3, delete line 25 and insert:

*"Sections 1, 2, and 3, subdivisions 2 and 3, are repealed March 1, 2009."*

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

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

S.F. No. 44: A bill for an act relating to trusts; making certain trust provisions related to public assistance eligibility unenforceable as against public policy; clarifying availability of trusts in determining eligibility for medical assistance and other benefit programs; defining supplemental needs trusts; clarifying enforceability of supplemental needs trusts; amending Minnesota Statutes 1992, section 501B.89.

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

Page 1, line 23, after "or" insert "*benefits under*"

Page 2, line 8, after "(a)" insert "*It is the public policy of this state to enforce supplemental needs trusts as provided in this subdivision.*

*(b)*"

Page 2, line 15, delete "(b)" and insert "(c)"

Page 2, line 16, delete everything after "to"

Page 2, delete lines 17 to 36 and insert "*creation of the supplemental needs trust qualified as a disabled person or a person with a disability under the criteria used under Title II or Title XVI of the Social Security Act.*"

Page 3, line 1, delete "(c)" and insert "(d) *The general purpose of a supplemental needs trust must be to provide for the reasonable living expenses and other basic needs of a person with a disability when benefits from publicly-funded benefit programs are not sufficient to provide adequately for those needs.*"

Page 3, line 5, delete "must" and insert "may"

Page 3, line 7, delete "*general assistance medical*"

Page 3, line 8, delete "*care,*" and delete "*MinnesotaCare,*"

Page 3, line 9, before the period, insert "*for disabled persons*"

Page 3, delete lines 15 to 18

Page 3, line 19, delete "*enforcement.*" and insert:

"(e)"

Page 3, line 21, delete "*extended care*" and insert "*nursing*"

Page 3, line 30, delete "*extended care*" and insert "*nursing*" and after the period, insert:

"(f)"

Page 3, line 31, after "*assets*" insert "*of a supplemental needs trust*"

Page 3, line 36, delete "*general assistance*"

Page 4, delete line 1

Page 4, after line 5, insert:

"(g) *Nothing in this subdivision requires submission of a supplemental needs trust to a court for interpretation or enforcement.*"

Page 4, line 6, delete "*(e) Paragraphs (a) to (d)*" and insert "*(h) Paragraphs (a) to (g)*"

Page 4, line 7, after "*created*" insert "*, but the limitations and restrictions in paragraphs (c) to (g) apply only to trusts created after June 30, 1993*"

Page 4, line 8, after "DATE" insert ";; APPLICATION"

Page 4, after line 9, insert:

"*Notwithstanding the provisions of section 1, subdivision 2, providing that a supplemental needs trust may not be funded by the beneficiary or a person obligated to pay the beneficiary under a settlement agreement or judgment, a supplemental needs trust may be established with the proceeds of payments made by the social security administration pursuant to the United States Supreme Court decision in Sullivan v. Zebley, 110 S.Ct. 885 (1990).*"

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

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

S.F. No. 186: A bill for an act relating to marriage dissolution; requiring more information on the notice to a public authority; amending Minnesota Statutes 1992, 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 Care, to which was referred

S.F. No. 282: A bill for an act relating to medical assistance; modifying

hospital reimbursement rates; amending Minnesota Statutes 1992, section 256.969, subdivisions 9, 20, and by adding subdivisions.

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

Page 2, line 30, delete "total of the" and delete "and property"

Page 2, line 31, delete "rates" and insert "rate"

Page 2, line 36, after "be" insert "determined by multiplying the total of the operating and property payment rates by the difference between the hospital's actual medical assistance inpatient utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian health service, and the result must be"

Page 3, line 20, delete "hospitals"

Page 3, delete lines 21 and 22

Page 3, line 23, delete "mean" and insert "admissions occurring between October 1, 1992, and December 31, 1992"

Page 3, line 24, delete "other"

Page 3, line 25, delete "9 or"

Page 6, line 7, delete "9 or"

Page 6, after line 9, insert:

"Sec. 6. [HEALTH MAINTENANCE ORGANIZATION REIMBURSEMENT.]

*Effective January 1, 1993, the commissioner of human services shall adjust rates paid to a health maintenance organization under contract with the commissioner to reflect rate increases provided in section 5. The adjustment must be made on a nondiscounted hospital-specific basis."*

Page 6, line 10, delete "6" and insert "7"

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

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

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

S.F. No. 176: A bill for an act relating to insurance; workers' compensation; regulating refunds made by the Workers' Compensation Reinsurance Association; amending Minnesota Statutes 1992, section 79.34, 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. [1992 WORKERS' COMPENSATION REINSURANCE ASSOCIATION EXCESS SURPLUS DISTRIBUTION.]

*Subdivision 1. [SCOPE.] This section governs any distribution of excess surplus made by the workers' compensation reinsurance association in 1992 other than distributions to self-insured members of the association.*

*Subd. 2. [STATE FUND MUTUAL INSURANCE COMPANY.] Any distribution of excess surplus of the workers' compensation reinsurance association received by the state fund mutual insurance company in 1992 must be returned to policyholders. Each policyholder shall receive a share of the company's distribution equal to the policyholder's proportionate share of the company's 1991 earned Minnesota workers' compensation insurance premium, as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*

*Subd. 3. [ASSIGNED RISK PLAN.] Any distribution of excess surplus of the workers' compensation reinsurance association in 1992 received by the assigned risk plan must be returned to policyholders. Each policyholder shall receive a share of the distribution equal to the policyholder's proportionate share of the assigned risk plan's 1991 earned Minnesota workers' compensation premium as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*

*Subd. 4. [INSURED EMPLOYERS.] Any distribution of excess surplus of the workers' compensation reinsurance association in 1992 received by insurers and not governed by subdivisions 2 and 3 must be returned to policyholders. Each policyholder shall receive a share of the distribution equal to the policyholder's proportionate share of its company's 1991 earned Minnesota workers' compensation premium, as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*

*Subd. 5. [PENALTY.] Except as provided in subdivision 6, any insurer which has not distributed its portion of the 1992 workers' compensation reinsurance association refund to its policyholders as of the effective date of this subdivision shall do so no later than 30 days after that date. It will be a violation of Minnesota Statutes, section 45.027, for each day each distribution remains unpaid thereafter.*

*Subd. 6. [UNCLAIMED REFUNDS.] If any part of the distribution remains one year after it is required to be distributed under subdivision 5 due to the inability to identify or locate policyholders, it shall be presumed abandoned and the insurer shall comply with Minnesota Statutes, sections 345.41 to 345.43.*

*Subd. 7. [ADMINISTRATION.] The commissioner of commerce may issue any order necessary to implement this section. The orders are not rules subject to chapter 14. The workers' compensation reinsurance association shall perform any duties ordered by the commissioner necessary to implement this section. The association shall not be reimbursed for the cost of performing any of those duties.*

**Sec. 2. [79.361] [POST 1992 DISTRIBUTION OF WORKERS' COMPENSATION REINSURANCE ASSOCIATION SURPLUS.]**

*Subdivision 1. [SCOPE.] This section governs the distribution of excess surplus of the workers' compensation reinsurance association made after January 1, 1993. No distribution of that excess surplus other than that provided by this section may be made.*

*Subd. 2. [SELF-INSURED.] A self-insurer shall receive a distribution of excess surplus in an amount equal to the self-insurer's share of the premiums paid to the workers' compensation reinsurance association for the period for which the refund is made.*

*Subd. 3. [INSURED EMPLOYERS.] A policyholder, other than a policyholder insured by the assigned risk plan or the state fund mutual insurance company, shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in the most recent annual statements of insurers under section 60A.13, subdivision 8.*

*Subd. 4. [ASSIGNED RISK PLAN.] A policyholder of the assigned risk plan shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in its most recent annual statement under section 60A.13, subdivision 8.*

*Subd. 5. [STATE FUND MUTUAL INSURANCE COMPANY.] A policyholder of the state fund mutual insurance company shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in its most recent annual statement under section 60A.13, subdivision 8.*

*Subd. 6. [POLICYHOLDER.] For the purpose of this section "policyholder" means a policyholder in the period covered by the most recent annual statement under section 60A.13, subdivision 8.*

*Subd. 7. [COMMISSIONER OF COMMERCE; DUTIES.] The commissioner of commerce shall administer the distributions governed by this section. The commissioner may order the workers' compensation reinsurance association and insurers to assist in administering the distribution. The association shall not be reimbursed for the assistance. The reinsurance association and insurers must comply with any order of the commissioner relating to the distribution. Insurers must provide the commissioner of commerce or the workers' compensation reinsurance association with information necessary to administer the distributions governed by this section.*

*Subd. 8. [PENALTY.] Failure to comply with an order of the commissioner under this section is a violation of section 45.027 for each day of noncompliance.*

*Subd. 9. [UNCLAIMED REFUND.] If any part of the refund remains one year after the due date of a distribution under this section due to the inability to identify or locate policyholders, it shall be presumed abandoned and the reinsurance association shall comply with sections 345.41 to 345.43.*

Sec. 3. Minnesota Statutes 1992, section 79.34, is amended by adding a subdivision to read:

*Subd. 2a. [DEFICIENCY.] If the board determines that a distribution of excess surplus resulted in inadequate funds being available to pay claims which arose during the period upon which that distribution was calculated, the board shall determine the amount of the deficiency and increase the premiums charged by the association by the amount necessary to make up any deficiency caused by the distribution. The increase to the premium shall not be required to result in the entire deficiency being recouped in one year, but may be spread over a period of time that will cause the least financial hardship to insureds. Insurer members shall pass these premium increases on to insureds.*

Sec. 4. [79.362] [WORKERS' COMPENSATION REINSURANCE ASSOCIATION EXCESS SURPLUS DISTRIBUTION.]

*An order of the commissioner of the department of labor and industry relating to the distribution of excess surplus of the workers' compensation reinsurance association shall be reviewed by the commissioner of commerce. The commissioner may amend, approve, or reject an order or issue further orders to accomplish the purposes of sections 1 to 3. The commissioner may not amend an order with respect to the total amount of a distribution. An order of the commissioner under this section is not a rule subject to chapter 14.*

Sec. 5. [RESOLUTIONS AND ORDER NULLIFIED.]

*Any resolution or plan of operation of the workers' compensation reinsurance association or order of the commissioner of labor and industry that purports to grant any claim to insurer members of the association to excess surplus and that conflicts with section 1 or 2 is nullified to the extent of the conflict.*

Sec. 6. [79.363] [DISTRIBUTION OF EXCESS SURPLUS.]

*The distribution of excess surplus of the workers' compensation reinsurance association is not a distribution of excess premiums to members.*

Sec. 7. [DISTRIBUTION EARNINGS.]

*For the purpose of section 1, the distribution to policyholders of excess surplus shall include any earnings on a surplus distribution during the period the distribution was in the possession of an insurer.*

Sec. 8. [EFFECTIVE DATE.]

*This act is effective the day following final enactment and applies retroactively to distributions of excess surplus by the workers' compensation reinsurance association made after January 1, 1992."*

Delete the title and insert:

“A bill for an act relating to insurance; workers’ compensation; regulating distributions of excess surplus made by the workers’ compensation reinsurance association; clarifying the law regulating distributions of excess surplus; amending Minnesota Statutes 1992, section 79.34, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79.”

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

Mr. Berg from the Committee on Gaming Regulation, to which was referred

S.F. No. 103: A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board’s enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include senior citizen activities under certain circumstances; clarifying and strengthening the regulation of the conduct of bingo; prescribing penalties; amending Minnesota Statutes 1992, sections 349.12, subdivisions 1, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivision 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 6, and 8; 349.191, subdivisions 1 and 4; 349.211, subdivisions 1 and 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2 and 4; and 349.213, 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 1992, section 240.13, subdivision 8, is amended to read:

Subd. 8. [PROHIBITED ACTS.] A licensee may not accept a bet or a *pari-mutuel ticket for payment* from any person under the age of 18 years; and a licensee may not accept a bet of less than \$1. *It is an affirmative defense to a charge under this subdivision for the licensee to prove by a preponderance of the evidence that the licensee, reasonably and in good faith, relied upon representation of proof of age described in section 340A.503, subdivision 6, in accepting the bet or pari-mutuel ticket for payment.*

Sec. 2. Minnesota Statutes 1992, section 240.25, is amended by adding a subdivision to read:

*Subd. 8. [AGE UNDER 18.] A person under the age of 18 may not place*



*a bet or present a pari-mutuel ticket for payment with an approved pari-mutuel system.*

Sec. 3. Minnesota Statutes 1992, section 240.26, subdivision 3, is amended to read:

Subd. 3. [MISDEMEANORS.] A violation of any other provision of Laws 1983, chapter 214 240 or of a rule or order of the commission for which another penalty is not provided is a misdemeanor.

Sec. 4. Minnesota Statutes 1992, section 299L.03, subdivision 1, is amended to read:

Subdivision 1. [INSPECTIONS; ACCESS.] In conducting any inspection authorized under chapter 240, 299L, 349, or 349A, the employees of the division of gambling enforcement have free and open access to all parts of the regulated business premises, and may conduct the inspection at any reasonable time without notice and without a search warrant. For purposes of this subdivision, "regulated business premises" means premises where:

(1) lawful gambling is conducted by an organization licensed under chapter 349 or by an organization exempt from licensing under section 349.166;

(2) gambling equipment is manufactured, sold, distributed, or serviced by a manufacturer or distributor licensed under chapter 349;

(3) records required to be maintained under chapter 240, 349, or 349A are prepared or retained;

(4) lottery tickets are sold by a lottery retailer under chapter 340A; or

(5) races are conducted by a person licensed under chapter 240; or

(6) gambling devices are manufactured or distributed, including places of storage, under section 299L.07.

Sec. 5. Minnesota Statutes 1992, section 299L.03, subdivision 2, is amended to read:

Subd. 2. [ITEMS REQUIRED TO BE PRODUCED.] In conducting an audit or inspection authorized under chapter 240, 299L, 349 or 349A the director may inspect any book, record, or other document the licensee, retailer, or vendor is required to keep.

Sec. 6. Minnesota Statutes 1992, section 299L.07, is amended by adding a subdivision to read:

*Subd. 11. [INSPECTION.] Employees of the division are authorized to conduct inspections of the regulated business premises licensed under this section.*

Sec. 7. Minnesota Statutes 1992, section 349.12, subdivision 1, is amended to read:

Subdivision 1. As used in sections 349.11 to ~~349.22~~ 349.23 the following terms in this section have the meanings given them.

Sec. 8. Minnesota Statutes 1992, section 349.12, subdivision 3a, is amended to read:

Subd. 3a. [ALLOWABLE EXPENSE.] "Allowable expense" means an expense directly related to the conduct of lawful gambling the percentage of the total cost incurred by the organization in the purchase of any good, service, or other item which corresponds to the proportion of the total actual use of the good, service, or other item that is directly related to conduct of lawful gambling. "Allowable expense" includes the advertising of the conduct of lawful gambling, provided that the amount expended does not exceed five percent of the annual gross profits of the premises or \$5,000 per year per premises, whichever is less. The board may adopt rules to regulate the content of the advertising to ensure that the content is consistent with the public welfare.

Sec. 9. Minnesota Statutes 1992, section 349.12, subdivision 4, is amended to read:

Subd. 4. "Bingo" means a game where each player has a *bingo hard card* or *board bingo paper sheet*, for which a consideration has been paid, containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word "free" marked in the center space thereof. *Bingo also requires that the letters "B-I-N-G-O" appear in order over each column.* Bingo also includes games which are as described in this subdivision except for the use of *cards bingo paper sheets* where the figures are not preprinted but are filled in by the players. A player wins a game of bingo by completing a preannounced combination of spaces or, in the absence of a preannouncement of a combination of spaces, any combination of five spaces in a row, either vertical, horizontal or diagonal. A game of bingo begins with the first letter and number called. The player covers the numbers when bingo balls, similarly numbered, are randomly drawn, announced, and displayed to the players, either manually or by use of a flashboard. The game is won by the player covering a previously designated arrangement of numbers on the bingo hard card or bingo paper sheet and declaring bingo. The winning bingo hard card or bingo paper sheet is verified and a prize is awarded.

Sec. 10. Minnesota Statutes 1992, section 349.12, subdivision 8, is amended to read:

Subd. 8. "Checker" means a person who records the number of bingo *hard cards* purchased and played during each game and records the prizes awarded to the recorded *hard cards*, but does not collect the payment for the *hard cards*.

Sec. 11. Minnesota Statutes 1992, section 349.12, subdivision 11, is amended to read:

Subd. 11. [DISTRIBUTOR.] "Distributor" is a person who sells gambling equipment for use within the state to licensed organizations, or to organizations conducting excluded or exempt activities under section 349.166, or to other distributors.

Sec. 12. Minnesota Statutes 1992, section 349.12, subdivision 18, is amended to read:

Subd. 18. [GAMBLING EQUIPMENT.] "Gambling equipment" means: *bingo hard cards* or *paper sheets*, devices for selecting bingo numbers, pull-tabs, jar tickets, paddlewheels, and *paddletickets, paddleticket cards, tipboards, and tipboard tickets.*

Sec. 13. Minnesota Statutes 1992, section 349.12, subdivision 19, is amended to read:

Subd. 19. "Gambling manager" means a person who ~~has paid all dues to an organization and~~ has been a *an active* member of the organization for at least two years and has been designated by the organization to supervise lawful gambling conducted by it.

Sec. 14. Minnesota Statutes 1992, section 349.12, subdivision 21, is amended to read:

Subd. 21. [GROSS RECEIPTS.] "Gross receipts" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo *hard* cards and *paper* sheets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and paddletickets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.164 or 349.18, subdivision 3, for ~~duly licensed bingo hall lessors~~.

Sec. 15. Minnesota Statutes 1992, section 349.12, subdivision 23, is amended to read:

Subd. 23. [IDEAL NET.] "Ideal net" means the pull-tab or tipboard deal's ideal gross, as defined under subdivision 19 22, less the total predetermined prize amounts available to be paid out. When the prize is not entirely a monetary one, the ideal net is 50 percent of the ideal gross.

Sec. 16. Minnesota Statutes 1992, section 349.12, subdivision 25, is amended to read:

Subd. 25. (a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) organization, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 349.154;

(2) a contribution to an individual or family suffering from poverty, homelessness, or physical or mental disability, which is used to relieve the effects of that poverty, homelessness, or disability;

(3) a contribution to an individual for treatment for delayed posttraumatic stress syndrome or a contribution to a recognized program for the treatment of compulsive gambling on behalf of an individual who is a compulsive gambler;

(4) a contribution to or expenditure on a public or private nonprofit

educational institution registered with or accredited by this state or any other state;

(5) a contribution to a scholarship fund for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize humanitarian or military service to the United States, the state of Minnesota, or a community, subject to rules of the board;

(7) recreational, community, and athletic facilities and activities intended primarily for persons under age 21, *or social, recreational, community, and athletic facilities, and activities conducted by a nonprofit organization and intended for persons age 55 or over, which is not being conducted primarily for members of the contributing organization*, provided that such facilities and activities do not discriminate on the basis of gender, as evidenced by (i) provision of equipment and supplies, (ii) scheduling of activities, including games and practice times, (iii) supply and assignment of coaches or other adult supervisors, (iv) provision and availability of support facilities, and (v) whether the opportunity to participate reflects each gender's demonstrated interest in the activity, provided that nothing in this clause prohibits a contribution to or expenditure on an educational institution or other entity that is excepted from the prohibition against discrimination based on sex contained in the Higher Education Act Amendments of 1976, United States Code, title 20, section 1681;

(8) payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, ~~and the tax taxes~~ imposed by section 349.212, subdivisions 1 ~~and~~, 4, ~~and~~ 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

(9) payment of real estate taxes and assessments on ~~licensed~~ *permitted* gambling premises wholly owned by the licensed organization paying the taxes, not to exceed:

(i) the amount which an organization may expend under board rule on rent for premises used for bingo; ~~or~~

(ii) *50 percent of the real estate taxes and assessments or \$15,000 per year, whichever is more*, for premises used for other forms of lawful gambling; ~~or~~

(iii) *100 percent of the real estate taxes and assessments for premises constructed, acquired, or expanded, if the construction, acquisition, or expansion was started before August 1, 1990;*

(10) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency;

(11) a contribution to or expenditure by a nonprofit organization, *which is a church, or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances;* ~~or~~

(12) payment of one-half of the reasonable costs of an audit required in section 349.19, subdivision 9; ~~or~~

(13) *a contribution to or expenditure on a wildlife management project that benefits the public at-large, provided that the state agency with authority over*

*that wildlife management project approves the project before the contribution or expenditure is made.*

(b) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) the erection, acquisition, improvement, expansion, repair, or maintenance of real property or capital assets owned or leased by an organization, except as provided in clause (6), unless the board has first specifically authorized the expenditures after finding that (i) the real property or capital assets will be used exclusively for one or more of the purposes in paragraph (a); (ii) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and that no rental fee is charged for the use; (iii) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building, a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditure may be only for that part of the replacement cost not reimbursed by insurance; or (iv) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building a building owned by the organization that was acquired from the organization by eminent domain or sold by the organization to a purchaser that the organization reasonably believed would otherwise have acquired the building by eminent domain, provided that the expenditure may be only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced;

(4) an expenditure by an organization which is a contribution to a parent organization, foundation, or affiliate of the contributing organization, if the parent organization, foundation, or affiliate has provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value;

(5) a contribution by a licensed organization to another licensed organization unless the board has specifically authorized the contribution. The board must authorize such a contribution when requested to do so by the contributing organization unless it makes an affirmative finding that the contribution will not be used by the recipient organization for one or more of the purposes in paragraph (a); or

(6) the erection, acquisition, improvement, or expansion of real property or capital assets which will be used for one or more of the purposes in paragraph (a), clause (7), unless the organization making the expenditures notifies the board at least 15 days before making the expenditure a contribution to a statutory or home rule charter city, county, or town by a licensed organization with the knowledge that the governmental unit intends to use the contribution for a pension fund.

Sec. 17. Minnesota Statutes 1992, section 349.12, subdivision 30, is amended to read:

Subd. 30. [PERSON.] "Person" is an individual, *organization*, firm, association, partnership, *limited liability company*, corporation, trustee, or legal representative.

Sec. 18. Minnesota Statutes 1992, section 349.12, subdivision 32, is amended to read:

Subd. 32. "Pull-tab" means a single folded or banded ticket or a *multi-ply* card with a *perforated break-open tabs*, the face of which is initially covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull-tab" also includes a ticket sold in a gambling device known as a ticket jar.

Sec. 19. Minnesota Statutes 1992, section 349.12, subdivision 34, is amended to read:

Subd. 34. "Tipboard" means a board, placard or other device marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances. is a game played using tipboard tickets which are either attached to the placard and arranged in columns or rows or separate from the placard and contained in a receptacle while the game is in play. The placard serves as the game flare and contains a seal that conceals the winning number or symbol. The tipboard tickets contain concealed numbers or symbols. When a tipboard ticket is purchased and opened, players having tipboard tickets with certain pre-designated numbers or symbols shall sign the placard at the line indicated by the number or symbol on the tipboard ticket. When the pre-designated numbers or symbols are all purchased or all of the tipboard tickets have been sold, the seal is removed to reveal a number or symbol indicating which of the pre-designated numbers or symbols is the winning number or symbol. A tipboard may also contain consolation winners which do not need to be determined by the use of the seal. Cash or merchandise prizes may be awarded, but the prizes available must be stated on the flare.

Sec. 20. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

Subd. 35. [TIPBOARD TICKET.] "Tipboard ticket" is a single folded or banded ticket, or multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners.

Sec. 21. Minnesota Statutes 1992, section 349.151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The board has the following powers and duties:

(1) to regulate lawful gambling to ensure it is conducted in the public interest;

(2) to issue licenses to organizations, distributors, bingo halls, manufacturers, and gambling managers;

(3) to collect and deposit license, permit, and registration fees due under this chapter;

(4) to receive reports required by this chapter and inspect all premises, records, books, and other documents of organizations, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules;

(5) to make rules authorized by this chapter;

(6) to register gambling equipment and issue registration stamps;

(7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;

(9) to impose civil penalties of not more than \$500 per violation on organizations, distributors, manufacturers, bingo halls, and gambling managers for failure to comply with any provision of this chapter or any rule of the board;

(10) to issue premises permits to organizations licensed to conduct lawful gambling;

(11) to delegate to the director the authority to issue licenses and premises permits under criteria established by the board;

(12) to suspend or revoke licenses and premises permits of organizations, distributors, manufacturers, bingo halls, or gambling managers as provided in this chapter;

(13) to register employees of organizations licensed to conduct lawful gambling;

(14) to require fingerprints from persons determined by board rule to be subject to fingerprinting; and

(15) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) Any organization, distributor, bingo hall operator, *gambling manager*, or manufacturer assessed a civil penalty may request a hearing before the board. Hearings conducted on appeals of imposition of penalties are not subject to the provisions of the administrative procedure act.

(c) All fees and penalties received by the board must be deposited in the general fund.

Sec. 22. Minnesota Statutes 1992, section 349.152, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF THE DIRECTOR.] The director has the following duties:

(1) to carry out gambling policy established by the board;

(2) to employ and supervise personnel of the board;

(3) to advise and make recommendations to the board on rules;

- (4) to issue licenses and premises permits as authorized by the board;
- (5) to issue cease and desist orders;
- (6) to make recommendations to the board on license issuance, denial, suspension and revocation, and civil penalties the board imposes; and
- (7) to ensure that board rules, policy, and decisions are adequately and accurately conveyed to the board's licensees; and
- (8) *to issue subpoenas to compel the attendance of witnesses and the production of documents, books, records, and other evidence relating to an investigation, compliance review, or audit the director is authorized to conduct.*

Sec. 23. Minnesota Statutes 1992, section 349.152, subdivision 3, is amended to read:

Subd. 3. [CEASE AND DESIST ORDERS.] Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any board rule:

(a) The director has the power to issue and cause to be served upon the person an order requiring the person to cease and desist from violations of this chapter or board rule. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the board after which and within 20 days of the date of the hearing the board shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(b) The board may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter or any board rule and may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the board to post a bond.

Sec. 24. Minnesota Statutes 1992, section 349.153, is amended to read:

349.153 [CONFLICT OF INTEREST.]

(a) A person may not serve on the board, be the director, or be an employee of the board who has an interest in any corporation, association, *limited liability company*, or partnership that is licensed by the board as a distributor, manufacturer, or a bingo hall under section 349.164.

(b) A member of the board, the director, or an employee of the board may not participate in the conducting of lawful gambling accept employment with, receive compensation directly or indirectly from, or enter into a contractual relationship with an organization that conducts lawful gambling, a distributor, or a manufacturer while employed with or a member of the board or within one year after terminating employment with or leaving the board.



(c) A distributor, manufacturer, or organization licensed to conduct lawful gambling may not hire a former employee, director, or member of the gambling control board for one year after the employee, director, or member has terminated employment with or left the gambling control board.

Sec. 25. Minnesota Statutes 1992, section 349.154, subdivision 2, is amended to read:

Subd. 2. [NET PROFIT REPORTS.] (a) Each licensed organization must report monthly to the board on a form prescribed by the board each expenditure and contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name, address, and telephone number of the recipient of the expenditure or contribution;

(2) the date the contribution was approved by the organization;

(3) the date, amount, and check number of the expenditure or contribution; and

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25, paragraph (a).

(b) The board shall ~~provide~~ *make available to* the commissioners of revenue and public safety copies of ~~each report~~ *reports* received under this subdivision and requested by them.

Sec. 26. Minnesota Statutes 1992, section 349.16, subdivision 6, is amended to read:

Subd. 6. [FEES.] The board may issue four classes of organization licenses: a class A license authorizing all forms of lawful gambling; a class B license authorizing all forms of lawful gambling except bingo; a class C license authorizing bingo ~~only and pull-tabs if the gross receipts for any combination of bingo and pull-tabs does not exceed \$50,000 per year~~; and a class D license authorizing raffles only. The board shall not charge a fee for an organization license.

Sec. 27. Minnesota Statutes 1992, section 349.16, subdivision 8, is amended to read:

Subd. 8. [LOCAL INVESTIGATION FEE.] A statutory or home rule charter city or county notified under section 349.213, subdivision 2, may assess an investigation fee on organizations or bingo halls applying for or renewing a license to ~~conduct lawful gambling premises permit or operate a bingo hall license~~. An investigation fee may not exceed the following limits:

(1) for cities of the first class, \$500;

(2) for cities of the second class, \$250;

(3) for all other cities, \$100; and

(4) for counties, \$375.

Sec. 28. Minnesota Statutes 1992, section 349.161, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state ~~for gambling purposes~~, other than for lawful gambling exempt or excluded from licensing, except to an organization licensed for lawful gambling;

(2) sell, offer for sale, or furnish gambling equipment for ~~lawful gambling use within the state~~ without having obtained a distributor license under this section;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

Sec. 29. Minnesota Statutes 1992, section 349.161, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, *limited liability company*, or partnership which has as an officer, director, other person in a supervisory or management position, ~~or~~ employee eligible to make sales on behalf of the distributor, *or holder of any direct or indirect financial interest in it*, a person, who:

(1) has ever been convicted of a felony;

(2) has ever been convicted of a crime involving gambling;

(3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(4) is or has ever been engaged in an illegal business;

(5) owes \$500 or more in delinquent taxes as defined in section 270.72;

(6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; ~~or~~

(7) after demand, has not filed tax returns required by the commissioner of revenue; *or*

(8) *has been determined to be a person whose prior activities, criminal record, if any, pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.*

Sec. 30. Minnesota Statutes 1992, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, or any representative, agent, affiliate, or employee of a distributor, may ~~be~~: (1) *be* involved in the conduct of lawful gambling by an

organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor or any representative, agent, affiliate, or employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor or any representative, agent, affiliate, or employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased from that distributor is being used in the conduct of lawful gambling.

(e) No distributor or any representative, agent, affiliate, or employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker.

(f) No distributor or any representative, agent, affiliate, or employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(g) No distributor may purchase gambling equipment *for resale to a person for use within the state* from any person not licensed as a manufacturer under section 349.163.

(h) No distributor may sell gambling equipment to any person *for use in Minnesota other than* (i) a licensed organization or organization *excluded or exempt from licensing*, or (ii) the governing body of an Indian tribe.

Sec. 31. Minnesota Statutes 1992, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] ~~(a)~~ A distributor may not sell, transfer, furnish, or otherwise provide to a person, ~~organization, or distributor,~~ and no person, ~~organization, or distributor~~ may purchase, borrow, accept, or acquire from a distributor gambling equipment *for use within the state* unless the equipment has been registered with the board and has a registration stamp affixed. The board shall charge a fee of five cents for each stamp. Each stamp must bear a registration number assigned by the board. A distributor *or manufacturer* is entitled to a refund for unused *registration* stamps and replacement for *registration* stamps which are defective or canceled by the distributor *or manufacturer*.

~~(b) From January 1, 1991, to June 30, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "For Sale in Minnesota Only."~~

~~(c) On and after July 1, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "Manufactured in Minnesota For Sale in Minnesota Only."~~

~~(d) Paragraphs (b) and (c) do not apply to pull-tabs sold by a distributor to the governing body of an Indian tribe.~~

Sec. 32. Minnesota Statutes 1992, section 349.162, subdivision 2, is amended to read:

Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:

- (1) the identity of the person or firm from whom the distributor purchased the equipment;
- (2) the registration number of the equipment;
- (3) the name, address, and license or exempt permit number of the organization to which the sale was made;
- (4) the date of the sale;
- (5) the name of the person who ordered the equipment;
- (6) the name of the person who received the equipment;
- (7) the type of equipment;
- (8) the serial number of the equipment;
- (9) the name, form number, or other identifying information for each game; and
- (10) in the case of bingo *hard cards or paper sheets* sold on and after January 1, 1991, the individual number of each card or sheet.

The invoice for each sale must be retained for at least 3-1/2 years after the sale is completed and a copy of each invoice is to be delivered to the board in the manner and time prescribed by the board. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.

Each distributor must report monthly to the board, in a form the board prescribes, its sales of each type of gambling equipment. Employees of the board and the division of gambling enforcement may inspect the business premises, books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.

The board may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.

Sec. 33. Minnesota Statutes 1992, section 349.162, subdivision 4, is amended to read:

Subd. 4. [PROHIBITION.] (a) No person other than a licensed distributor or licensed manufacturer may possess unaffixed registration stamps.

(b) Unless otherwise provided in this chapter, no person may possess gambling equipment that has not been stamped and registered.

(c) On and after January 1, 1991, no distributor may:

(1) sell a bingo *hard card or paper sheet* that does not bear an individual number; or

(2) sell a package of bingo ~~cards~~ *paper sheets* that does not contain bingo ~~cards~~ *paper sheets* in numerical order.

Sec. 34. Minnesota Statutes 1992, section 349.162, subdivision 5, is amended to read:

Subd. 5. [SALES FROM FACILITIES.] (a) All gambling equipment purchased or possessed by a licensed distributor for resale to any person for use in Minnesota must, prior to the equipment's resale, be unloaded into a sales or storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the division of gambling enforcement as a sales or storage facility of the distributor's distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a sales or storage facility which has been registered with the division of gambling enforcement. No gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board.

(b) Notwithstanding section 349.163, subdivision 5, paragraphs (b) and (c), a licensed manufacturer may ship into Minnesota gambling equipment that does not have a Minnesota gambling stamp affixed if the licensed manufacturer ships the gambling equipment to a Minnesota storage facility that is: (1) owned or leased by the licensed manufacturer; and (2) registered, in advance and in writing, with the division of gambling enforcement as a manufacturer's storage facility. No unregistered gambling equipment may be shipped into Minnesota to the manufacturer's registered storage facility unless the shipment of the gambling equipment is reported to the department of revenue in a manner prescribed by the department. No gambling equipment may be moved from the storage facility unless the gambling equipment is sold to a licensed distributor and is otherwise in conformity with this chapter, is shipped to an out-of-state site and the shipment is reported to the department of revenue in a manner prescribed by the department, or is otherwise sold and shipped as permitted by board rule.

(c) All sales and storage facilities owned, leased, used, or operated by a licensed distributor or manufacturer may be entered upon and inspected by the employees of the division of gambling enforcement or, the division of gambling enforcement director's authorized representatives, employees of the gambling control board or its authorized representatives, employees of the department of revenue, or authorized representatives of the director of the division of special taxes of the department of revenue during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a manufacturer's or distributor's licenses and permits issued under this chapter.

(e) (d) Unregistered gambling equipment and unaffixed registration stamps found at any location in Minnesota other than the manufacturing plant of a licensed manufacturer or a registered sales or storage facility are contraband under section 349.2125. This paragraph does not apply to unregistered gambling equipment being transported in interstate commerce between locations outside this state, if the interstate shipment is verified by a bill of lading or other valid shipping document.

Sec. 35. Minnesota Statutes 1992, section 349.163, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No manufacturer of gambling equipment may sell any gambling equipment to any person for use or resale within the state, unless the manufacturer has a current and valid license issued

by the board under this section and other criteria prescribed by the board by rule.

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161 unless the manufacturer (1) does not manufacture any gambling equipment other than paddlewheels, and (2) was licensed as both a manufacturer and distributor on May 1, 1990.

Sec. 36. Minnesota Statutes 1992, section 349.163, subdivision 1a, is amended to read:

Subd. 1a. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, *limited liability company*, or partnership that has as an officer, director, other person in a supervisory or management position, or employee eligible to make sales on behalf of the distributor manufacturer, or holder of any direct or indirect financial interest in it, a person, who:

- (1) has ever been convicted of a felony;
- (2) has ever been convicted of a crime involving gambling;
- (3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) is or has ever been engaged in an illegal business;
- (5) owes \$500 or more in delinquent taxes as defined in section 270.72;
- (6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or
- (7) after demand, has not filed tax returns required by the commissioner of revenue; or
- (8) *has been determined to be a person whose prior activities, criminal record, if any, pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.*

Sec. 37. Minnesota Statutes 1992, section 349.163, subdivision 3, is amended to read:

Subd. 3. [PROHIBITED SALES.] (a) A manufacturer may not:

- (1) sell gambling equipment *for use or resale within the state* to any person not licensed as a distributor unless the manufacturer is also a licensed distributor; or
- (2) sell gambling equipment to a distributor in this state that has the same serial number as another item of gambling equipment of the same type that is sold by that manufacturer for use *or resale* in this state;
- (3) **from January 1, 1991, to June 30, 1992, sell to any person in Minnesota, other than the governing body of an Indian tribe, a pull-tab on which the manufacturer has not clearly printed the words "For Sale in Minnesota Only";**

(4) on and after July 1, 1992, sell to any person in Minnesota, other than the governing body of an Indian tribe, a pull-tab on which the manufacturer has not clearly printed the words "Manufactured in Minnesota For Sale In Minnesota Only"; or

(5) sell a pull-tab marked as required in clauses (3) and (4) to any person inside or outside the state, including the governing body of an Indian tribe, who is not a licensed distributor.

(b) On and after July 1, 1992, all pull-tabs sold by a licensed manufacturer to a person in Minnesota must be manufactured in Minnesota.

(c) A manufacturer, affiliate of a manufacturer, or person acting as a representative or agent of a manufacturer may not provide a lessor of gambling premises or an appointed official any compensation, gift, gratuity, premium, contribution, or other thing of value.

Sec. 38. Minnesota Statutes 1992, section 349.163, subdivision 5, is amended to read:

Subd. 5. [PULL-TAB AND TIPBOARD FLARES.] (a) A manufacturer may not ship or cause to be shipped into this state any deal of pull-tabs or tipboards that does not have its own individual flare as required for that deal by rule of the board. A person other than a manufacturer may not manufacture, alter, modify, or otherwise change a flare for a deal of pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) The flare of each deal of pull-tabs and tipboards sold by a manufacturer for use or resale 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 that 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) 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 that is imprinted at the bottom of a flare for that deal.

(f) No person may alter the bar code that 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 that 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.

Sec. 39. Minnesota Statutes 1992, section 349.163, subdivision 6, is amended to read:

Subd. 6. [SAMPLES OF GAMBLING EQUIPMENT.] The board shall require each licensed manufacturer to submit to the board one or more samples of each item of gambling equipment the manufacturer manufactures for sale use or resale in this state. The board shall inspect and test all the equipment it deems necessary to determine the equipment's compliance with law and board rules. Samples required under this subdivision must be approved by the board before the equipment being sampled is shipped into or sold for use or resale in this state. The board may request the assistance of the commissioner of public safety and the director of the state lottery board in performing the tests.

Sec. 40. Minnesota Statutes 1992, section 349.164, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person may lease a facility to more than one individual, corporation, partnership, or organization to conduct bingo without a current and valid bingo hall license under this section.

Sec. 41. Minnesota Statutes 1992, section 349.164, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, organization, corporation, firm, or partnership that who is not the legal owner of the facility, or to a person, or to an organization, corporation, firm, limited liability company, or partnership which has as an officer, director, or other person in a supervisory or management position, or holder of any direct or indirect financial interest in it, a person, who:

- (1) has ever been convicted of a felony;
- (2) has ever been convicted of a crime involving gambling;
- (3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) is or has ever been engaged in an illegal business;
- (5) owes delinquent taxes in excess of \$500 as defined in section 270.72; or
- (6) after demand, has not filed tax returns required by the commissioner of revenue; or
- (7) has been determined to be a person whose prior activities, criminal record, if any, pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling



*or the carrying on of the business and financial arrangements incidental to the business.*

Sec. 42. Minnesota Statutes 1992, section 349.164, subdivision 6, is amended to read:

Subd. 6. [PROHIBITED ACTS.] No bingo hall licensee, person holding a financial or managerial interest in a bingo hall, or affiliate thereof may:

(1) be a licensed distributor or licensed manufacturer or affiliate of the distributor or manufacturer under section 349.161 or 349.163 or a wholesale distributor of alcoholic beverages;

(2) provide any staff to conduct or assist in the conduct of bingo or any other form of lawful gambling on the premises;

(3) acquire, provide storage or inventory control for, or report the use of any gambling equipment used by an organization that conducts lawful gambling on the premises;

(4) provide accounting services to an organization conducting lawful gambling on the premises;

(5) solicit, suggest, encourage, or make any expenditures of gross receipts of an organization from lawful gambling;

(6) charge any fee to a person without which the person could not play a bingo game or participate in another form of lawful gambling on the premises;

(7) provide assistance or participate in the conduct of lawful gambling on the premises; or

(8) permit more than 21 bingo occasions to be conducted on the premises in any week.

Sec. 43. Minnesota Statutes 1992, section 349.1641, is amended to read:

349.1641 [LICENSES; SUMMARY SUSPENSION.]

The board may (1) summarily suspend the license of an organization that is more than three months late in filing a tax return *or in paying a tax* required under this chapter and may keep the suspension in effect until all required returns are filed *and required taxes are paid*; and (2) summarily suspend for not more than 90 days any license issued by the board or director for what the board determines are actions detrimental to the integrity of lawful gambling in Minnesota. The board must notify the licensee at least 14 days before suspending the license under this ~~paragraph~~ *section*. A contested case hearing must be held within 20 days of the summary suspension and the administrative law judge's report must be issued within 20 days after the close of the hearing record. In all cases involving summary suspension, the board must issue its final decision within 30 days after receipt of the report of the administrative law judge and subsequent exceptions and argument under section 14.61. When an organization's license is suspended ~~or revoked~~ under this *subdivision section*, the board shall within three days notify all municipalities in which the organization's gambling premises are located and all licensed distributors in the state.

Sec. 44. Minnesota Statutes 1992, section 349.166, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] (a) Bingo may be conducted without a license and without complying with sections 349.168, subdivisions 1 and 2; 349.17, ~~subdivision~~ subdivisions 1, 4, and 5; 349.18, subdivision 1; and 349.19, if it is conducted:

(1) by an organization in connection with a county fair, the state fair, or a civic celebration if it and is not conducted for more than 12 consecutive days and is limited to no more than four separate applications for activities applied for and approved in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

An organization that holds a license to conduct lawful gambling under this chapter may not conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization without compliance with sections 349.11 to 349.15 and 349.153 to 349.213 if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, a manager is appointed to supervise the bingo, and the manager registers with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

(c) Raffles may be conducted by an organization without complying with sections ~~349.11 to 349.13 and 349.151 to 349.213~~ 349.168, subdivisions 1 and 2; 349.18, subdivision 1; and 349.19, if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750.

(d) The organization must maintain all required records of excluded gambling activity for 3-1/2 years.

Sec. 45. Minnesota Statutes 1992, section 349.166, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] (a) Lawful gambling may be conducted by an organization as defined in section 349.12, subdivision 28, without complying with sections ~~349.151 to 349.16; 349.167; 349.168, subdivisions 1 and 2; 349.17, subdivisions 4 and 5; 349.18, subdivision 1; and 349.19; and 349.212~~ if:

(1) the organization conducts lawful gambling on five or fewer days in a calendar year;

(2) the organization does not award more than \$50,000 in prizes for lawful gambling in a calendar year;

(3) the organization pays a fee of \$25 to the board, notifies the board in writing not less than 30 days before each lawful gambling occasion of the date and location of the occasion, or 60 days for an occasion held in the case of a city of the first class, the types of lawful gambling to be conducted, the prizes to be awarded, and receives an exemption identification number;

(4) the organization notifies the local government unit 30 days before the

lawful gambling occasion, or 60 days for an occasion held in a city of the first class;

(5) the organization purchases all gambling equipment and supplies from a licensed distributor; and

(6) the organization reports to the board, on a single-page form prescribed by the board, within 30 days of each gambling occasion, the gross receipts, prizes, expenses, expenditures of net profits from the occasion, and the identification of the licensed distributor from whom all gambling equipment was purchased.

(b) If the organization fails to file a timely report as required by paragraph (a), clause (3) or (6), a \$250 penalty is imposed on the organization. Failure to file a timely report does not disqualify the organization as exempt under this ~~paragraph~~ *subdivision* if a report is later filed and the penalty paid.

(c) Merchandise prizes must be valued at their fair market value.

(d) Unused pull-tab and tipboard deals must be returned to the distributor within seven working days after the end of the lawful gambling occasion. The distributor must accept and pay a refund for all returns of unopened and undamaged deals returned under this paragraph.

(e) An organization that is exempt from taxation on purchases of pull-tabs and tipboards under section 349.212, subdivision 4, paragraph (c), must return to the distributor any tipboard or pull-tab deal no part of which is used at the lawful gambling occasion for which it was purchased by the organization.

(f) *The organization must maintain all required records of exempt gambling activity for 3-1/2 years.*

Sec. 46. Minnesota Statutes 1992, section 349.166, subdivision 3, is amended to read:

Subd. 3. [RAFFLES; CERTAIN ORGANIZATIONS.] Sections 349.21-349.168, *subdivisions 3 and 4*; and 349.211, subdivision 3, and the membership requirements of ~~sections 349.14 and 349.20~~ *section 349.16, subdivision 2, paragraph (c)*, do not apply to raffles conducted by an organization that directly or under contract to the state or a political subdivision delivers health or social services and that is a 501(c)(3) organization if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.

Sec. 47. Minnesota Statutes 1992, section 349.167, subdivision 1, is amended to read:

Subdivision 1. [GAMBLING MANAGER REQUIRED.] (a) All lawful gambling conducted by a licensed organization must be under the supervision of a gambling manager. A gambling manager designated by an organization to supervise lawful gambling is responsible for the gross receipts of the organization and for its conduct in compliance with all laws and rules. A person designated as a gambling manager shall maintain a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of the manager's duties. The terms of the bond must provide that

notice be given to the board in writing not less than 30 days before its cancellation.

(b) A person may not act as a gambling manager for more than one organization.

(c) An organization may not conduct lawful gambling without having a gambling manager. ~~The board must be notified in writing of a change in gambling managers. Notification must be made within ten days of the date the gambling manager assumes the manager's duties.~~

(d) An organization may not have more than one gambling manager at any time.

Sec. 48. Minnesota Statutes 1992, section 349.167, subdivision 4, is amended to read:

Subd. 4. [TRAINING OF GAMBLING MANAGERS.] The board shall by rule require all persons licensed as gambling managers to receive periodic training in laws and rules governing lawful gambling. The rules must contain the following requirements:

(1) each gambling manager must receive training before being issued a new license, except that in the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must receive the training within 90 days of being issued a license;

(2) each gambling manager applying for a renewal of a license must have received *continuing education* training, *as required by board rule*, within the ~~three years~~ 12 months prior to the date of application for the renewal; and

(3) the training required by this subdivision may be provided by a person, ~~firm, association, or organization~~ authorized by the board to provide the training. Before authorizing a person, ~~firm, association, or organization~~ to provide training, the board must determine that:

(i) the provider and all of the provider's personnel conducting the training are qualified to do so;

(ii) the curriculum to be used fully and accurately covers all elements of lawful gambling law and rules that the board determines are necessary for a gambling manager to know and understand;

(iii) the fee to be charged for participants in the training sessions is fair and reasonable; and

(iv) the training provider has an adequate system for documenting completion of training.

The rules may provide for differing training requirements for gambling managers based on the class of license held by the gambling manager's organization.

The board or the director may provide the training required by this subdivision using employees of the board.

Sec. 49. Minnesota Statutes 1992, section 349.168, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the

conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that the following persons may receive compensation without being active members: (1) sellers of pull-tabs, tipboards, raffle tickets, ~~paddlewheel tickets~~ *paddletickets*, and bingo *hard cards* or paper *sheets*; (2) accountants performing auditing or bookkeeping services for the organization; and (3) attorneys providing legal services to the organization. The board may by rule allow other persons not active members of the organization to receive compensation.

Sec. 50. Minnesota Statutes 1992, section 349.168, subdivision 6, is amended to read:

Subd. 6. [COMPENSATION PAID BY CHECK.] Compensation paid by an organization in connection with lawful gambling must be in the form of a check drawn on the organization's gambling account, as specified in section 349.19, and paid directly to the ~~employee~~ *person being compensated*.

Sec. 51. Minnesota Statutes 1992, section 349.169, subdivision 1, is amended to read:

Subdivision 1. [FILING REQUIRED.] All manufacturers and distributors must file with the director, not later than the first day of each month, the prices at which the manufacturer or distributor will sell all gambling equipment in that month. The filing must be on a form the director prescribes. Prices filed must include all charges the manufacturer or distributor makes for each item of gambling equipment sold, including all volume discounts, exclusive of transportation costs. All filings are effective on the first day of the month for which they are filed, except that a manufacturer or distributor may amend a filed price within five days of filing it *and may file a price any time during a month for gambling equipment not previously included on that month's filed pricing report, but may not later amend the price during the month.*

Sec. 52. Minnesota Statutes 1992, section 349.17, subdivision 2, is amended to read:

Subd. 2. [BINGO ON LEASED PREMISES.] During any bingo occasion conducted by an organization, the organization is directly responsible for the:

- (1) staffing of the bingo occasion;
- (2) conducting of lawful gambling during the bingo occasion;
- (3) acquiring, storage, inventory control, and reporting of all gambling equipment used by the organization;
- (4) receipt, accounting, and all expenditures of gross receipts from lawful gambling; and
- (5) preparation of the bingo packets.

Sec. 53. Minnesota Statutes 1992, section 349.17, subdivision 4, is amended to read:

Subd. 4. [CHECKERS.] One or more checkers must be engaged for each bingo occasion *when bingo is conducted using bingo hard cards*. The checker or checkers must record, on a form the board provides, the number of *hard cards* played in each game and the prizes awarded to recorded *hard cards*. The form must provide for the inclusion of the ~~registration~~ *face* number of each

winning hard card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.

Sec. 54. Minnesota Statutes 1992, section 349.17, subdivision 5, is amended to read:

Subd. 5. [CONDUCT OF BINGO CARD NUMBERING.] (a) The board shall by rule require that all licensed organizations: (1) conduct bingo only using liquid daubers on cards bingo paper sheets that bear an individual number recorded by the distributor; and (2) sell all bingo cards only in the order of the numbers appearing on the cards; and (3) use each bingo card paper sheet for no more than one bingo occasion. In lieu of the requirements of clauses (2) and (3), a licensed organization may electronically record the sale of each bingo hard card or paper sheet at each bingo occasion using an electronic recording system approved by the board.

(b) The requirements of paragraph (a) do not shall only apply to a licensed organization that has never received gross receipts from bingo in excess of \$150,000 in any the organization's last fiscal year.

Sec. 55. Minnesota Statutes 1992, section 349.17, is amended by adding a subdivision to read:

Subd. 6. [BREAK-OPEN BINGO.] "Break-open bingo" is a form of bingo which has the following features:

(1) the organization calls and posts, either by hand or by use of a flashboard, a predetermined quantity of bingo balls (for example - 50 numbers) before the actual playing of the game;

(2) only sealed bingo paper may be sold for the bingo game;

(3) sealed bingo paper may be sold throughout the bingo occasion, however no additional sealed bingo paper may be sold after the organization calls the next continuous number, for example, the 51st number, during the actual play of the game;

(4) no player wins until all the numbers for the designated game pattern on the player's bingo paper have been called and the player declares bingo;

(5) if a player declares bingo before the next continuous number, for example, the 51st number, is called and the bingo is verified, the player must be awarded the designated prize. During the actual play of the game, the organization shall call the next continuous number, if necessary, for example, the 51st number, and continue calling numbers until a player declares bingo and is awarded a prize; and

(6) this game must be played from start to finish within the same bingo occasion.

Sec. 56. Minnesota Statutes 1992, section 349.174, is amended to read:

349.174 [PULL-TABS; DEADLINE FOR USE.]

A deal of pull-tabs and or 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 that allows it to be traced back to its manufacturer and to the distributor who sold it to the organization. An organization in possession on and after September 1, 1990, of a deal of pull-tabs and or 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.

Sec. 57. Minnesota Statutes 1992, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases ~~must be for a period of at least one year and must be on a form prescribed by the board. The term of the lease may not begin before the effective date of the premises permit and must expire on the same day that the premises permit expires.~~ Copies of all leases must be made available to employees of the board and the division of gambling enforcement on request. A lease may not provide for payments determined directly or indirectly by the receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling provided that no rule of the board may prescribe a limit of less than \$1,000 per month on rent paid for premises used for lawful gambling other than bingo. Any rule adopted by the board limiting the amount of rent to be paid may only be effective for leases entered into, or renewed, after the effective date of the rule.

No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity on the leased premises during times when lawful gambling is being conducted on the premises.

Sec. 58. Minnesota Statutes 1992, section 349.18, subdivision 1a, is amended to read:

Subd. 1a. [STORAGE OF GAMBLING EQUIPMENT.] (a) Gambling equipment owned by or in the possession of an organization must be kept at a ~~licensed gambling permitted~~ premises owned or ~~operated~~ leased by the organization, or at other storage sites within the state that the organization has notified the board are being used as gambling equipment storage sites. At each storage site or ~~licensed permitted~~ premises, the organization must have the invoices or true and correct copies of the invoices for the purchase of all gambling equipment at the site or premises. Gambling equipment owned by an organization may not be kept at a distributor's office, warehouse, storage unit, or other place of the distributor's business.

(b) Gambling equipment, other than devices for selecting bingo numbers, owned by an organization must be secured and kept separate from gambling equipment owned by other persons, organizations, distributors, or manufacturers.

(c) Paddlewheels must be covered or disabled when not in use by the organization in the conduct of lawful gambling.

(d) Gambling equipment kept in violation of this subdivision is contraband under section 349.2125.

(e) An organization may transport gambling equipment it owns or possesses between approved gambling equipment storage sites and to and from licensed distributors.

Sec. 59. Minnesota Statutes 1992, section 349.18, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] (a) An organization may conduct raffles on a premise it does not own or lease.

(b) An organization may, with the permission of the board, conduct bingo on premises it does not own or lease for up to 12 consecutive days in a calendar year, in connection with a county fair, the state fair, or a civic celebration.

(c) A licensed organization may, after compliance with section 349.213, conduct lawful gambling on premises other than the organization's licensed premise permitted premises for one day per year for not more than 12 hours that day. A lease for that time period for the exempted premises must accompany the request to the board.

Sec. 60. Minnesota Statutes 1992, section 349.19, subdivision 2, is amended to read:

Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling by each organization must be segregated from all other revenues of the conducting organization and placed in a separate account. All expenditures for expenses, taxes, and lawful purposes must be made from the separate account except in the case of expenditures previously approved by the organization's membership for emergencies as defined by board rule. The name and address of the bank, the account number for the separate account, and the names of organization members authorized as signatories on the separate account must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made. Gambling receipts must be deposited into the gambling bank account within three *business* days of completion of the bingo occasion, deal, or game from which they are received. Deposit records must be sufficient to allow determination of deposits made from each bingo occasion, deal, or game at each permitted premises. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Sec. 61. Minnesota Statutes 1992, section 349.19, subdivision 5, is amended to read:

Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly, or quarterly in the case of a *class C licensee* or licensed organization which does not report more than \$1,000 in gross receipts from lawful gambling in any calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. The report must include a reconciliation of the organization's profit carryover with its cash balance on hand. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes. Submission of the report required by section 349.154 satisfies the requirement for reporting monthly to the board on expenditure of net profits.

Sec. 62. Minnesota Statutes 1992, section 349.19, subdivision 6, is amended to read:



Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved by a licensed organization for at least 3-1/2 years and may be inspected by the commissioner of revenue, the ~~commissioner of gaming board~~, or the commissioner of public safety at any reasonable time without notice or a search warrant.

Sec. 63. Minnesota Statutes 1992, section 349.19, subdivision 8, is amended to read:

Subd. 8. [TERMINATION PLAN.] Upon termination of a license for any reason, a licensed organization must notify the board in writing within 45 30 calendar days of the license termination date of its plan for disposal of ~~registered~~ gambling equipment and distribution of remaining gambling proceeds. Before implementation, a plan must be approved by the board *as provided in board rule*. The board may accept or reject a plan and order submission of a new plan or amend a proposed plan. The board may specify a time for submission of new or amended plans or for completion of an accepted plan.

Sec. 64. Minnesota Statutes 1992, section 349.19, subdivision 9, is amended to read:

Subd. 9. [ANNUAL AUDIT; FILING REQUIREMENT.] (a) An organization licensed under this chapter must have an annual financial audit of its lawful gambling activities and funds performed by an independent accountant licensed by the state of Minnesota. The commissioner of revenue shall prescribe standards for the audit. *The standards for the audit that the commissioner prescribes may vary based on the gross receipts of the organization.* A complete, true, and correct copy of the audit report must be filed as prescribed by the commissioner of revenue.

(b) *Organizations with gross receipts of \$50,000 or less are exempt from the annual financial audit requirement in paragraph (a).*

Sec. 65. Minnesota Statutes 1992, section 349.191, subdivision 1, is amended to read:

Subdivision 1. [CREDIT RESTRICTION.] A manufacturer may not offer or extend to a distributor, and a distributor may not *offer or* extend to an organization, credit for a period of more than 30 days for the sale of any gambling equipment. No right of action exists for the collection of any claim based on credit prohibited by this subdivision. The 30-day period allowed by this subdivision begins with the day immediately following the day of invoice and includes all successive days, including Sundays and holidays, to and including the 30th successive day.

Sec. 66. Minnesota Statutes 1992, section 349.191, is amended by adding a subdivision to read:

Subd. 1a. [NOTIFICATION; CASH SALES.] (a) *If a distributor does not receive payment in full from an organization within 30 days of the delivery of gambling equipment, the distributor shall notify the board in writing of the delinquency. Upon receipt of the notice of delinquency, the board shall notify all distributors that until further notice from the board, all sales of gambling equipment to the delinquent organization shall be on a cash only basis. Upon receipt of the notice from the board, no distributor may extend credit to the delinquent organization until such time as the board approves credit sales.*

*(b) If a manufacturer does not receive payment in full from a distributor within 30 days of the delivery of gambling equipment, the manufacturer shall notify the board in writing of the delinquency. Upon receipt of the notice of delinquency, the board shall notify all manufacturers that until further notice from the board, all sales of gambling equipment to the delinquent distributor shall be on a cash only basis. Upon receipt of the notice from the board, no manufacturer may extend credit to the delinquent distributor until such time as the board approves credit sales.*

Sec. 67. Minnesota Statutes 1992, section 349.191, subdivision 4, is amended to read:

Subd. 4. [CREDIT; POSTDATED CHECKS.] For purposes of this ~~subdivision~~ ~~section~~, "credit" includes acceptance by a manufacturer or distributor of a postdated check in payment for gambling equipment.

Sec. 68. Minnesota Statutes 1992, section 349.211, subdivision 1, is amended to read:

Subdivision 1. [BINGO.] Prizes for a single bingo game may not exceed \$100 except prizes for a game played with a cumulative prize and prizes for a cover-all game; which may exceed \$100 if the aggregate value of all cover-all prizes in a bingo occasion does not exceed \$500. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is \$3,000. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.

Sec. 69. Minnesota Statutes 1992, section 349.211, subdivision 2, is amended to read:

Subd. 2. [BINGO CUMULATIVE PRIZES.] A prize of up to \$1,000 may be awarded for a single bingo game if the prize is an accumulation of prizes not won in for the same single games in previous bingo occasions. A cumulative prize shall not be awarded for a cover-all game. For bingo games played with a cumulative prize, the licensed organization may award both a consolation prize of up to \$100 and may add up to \$100 to the cumulative prize amount for the next bingo occasion. The total amount awarded in cumulative prizes in any calendar year may not exceed ~~\$12,000~~ \$36,000. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.

Sec. 70. Minnesota Statutes 1992, section 349.2122, is amended to read:

349.2122 [MANUFACTURERS; REPORTS TO THE COMMISSIONER OF REVENUE; PENALTY.]

A manufacturer licensed by the board who sells pull-tabs and or tipboards to a licensed distributor must file with the commissioner of revenue, on a form prescribed by the commissioner, a report of pull-tabs and tipboards sold to any person for use or resale in the state, including the established governing body of an Indian ~~tribes~~ tribe recognized by the United States Department of the Interior. The report must be filed monthly on or before the 25th day of the month succeeding the month in which the sale was made. The commissioner may require that the report be submitted via magnetic media or electronic data transfer. The commissioner of revenue may inspect the books, records, and inventory of a licensed manufacturer without notice during the normal

business hours of the manufacturer. Any person violating this section shall be guilty of a misdemeanor.

Sec. 71. Minnesota Statutes 1992, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab or tipboard deals that do not have stamps affixed to them as provided in ~~section~~ *sections 349.162 and 349.163*;

(2) all pull-tab or tipboard deals 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 as defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard 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 more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs and tipboards are being transported in the course of interstate commerce, ~~or from one distributor to another~~ *between locations outside this state*, the pull-tab and tipboard deals 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;

(9) any unregistered gambling equipment except as permitted by this chapter;

(10) any gambling equipment kept in violation of section 349.18; ~~and~~

(11) any gambling equipment not in conformity with law or board rule;

(12) *any pull-tab or tipboard deals or portions of deals on which the tax imposed under section 349.212 has not been paid;*

(13) *any gambling equipment that has not been approved by the board pursuant to section 349.163, subdivision 6; and*

(14) *any gambling equipment in the possession of a person other than a licensed distributor, a licensed manufacturer, or an organization licensed or exempt or excluded from licensing under this chapter, except for devices for selecting bingo numbers kept by a bingo hall lessor pursuant to section 349.17, subdivision 2a.*

Sec. 72. Minnesota Statutes 1992, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ten days after the seizure of any alleged contraband, the person making the seizure shall 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 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 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 a tax imposed by section 349.2121, subdivision 4 349.212, the seizing authority shall release the property seized without further legal proceedings.

Sec. 73. Minnesota Statutes 1992, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] (a) A person, ~~other than a licensed distributor~~, is guilty of a crime who sells, offers for sale, or possesses a pull-tab or tipboard deal not stamped in accordance with the provisions of this chapter. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(b) A person, other than a *licensed manufacturer*, a licensed distributor, or an organization licensed or exempt or excluded from licensing under this chapter, is guilty of a crime who sells, offers to sell, or possesses gambling equipment. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(c) A person, ~~firm, or organization~~ is guilty of a crime who alters, modifies, or counterfeits pull-tabs, tipboards, or tipboard tickets, or possesses altered, modified, or counterfeit pull-tabs, tipboards, or tipboard tickets. A violation of this paragraph is a gross misdemeanor if the total face value for all such pull-tabs, tipboards, or tipboard tickets does not exceed \$200. A violation of this paragraph is a felony if the total face value exceeds \$200. For purposes

of this paragraph, the face value of all pull-tabs, tipboards, and tipboard tickets altered, modified, or counterfeited within a six-month period may be aggregated and the defendant charged accordingly.

Sec. 74. Minnesota Statutes 1992, section 349.2127, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTING UNSTAMPED DEALS.] A person is guilty of a gross misdemeanor who transports into, ~~or causes to be transported into~~, receives, carries, ~~or moves from place to place, or causes to be moved from place to place~~ in this state, any deals of pull-tabs or tipboards not stamped in accordance with this chapter except in the course of interstate commerce between locations outside this state. A person is guilty of a felony who violates this subdivision 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. 75. Minnesota Statutes 1992, section 349.2127, is amended by adding a subdivision to read:

Subd. 8. [AGE UNDER 18.] (a) A person under the age of 18 may not purchase or redeem for a prize a pull-tab, tipboard ticket, paddleticket, bingo hard card or paper sheet, or ticket for entry in a raffle, unless the purchase price of the ticket for entry in the raffle is \$1 or less; for games conducted under chapter 349.

(b) No person may sell, furnish, barter, or give to a person under the age of 18 or redeem from such person for a prize a pull-tab, tipboard ticket, paddleticket, bingo hard card or paper sheet, or ticket for entry in a raffle, unless the purchase price of the ticket for entry in the raffle is \$1 or less, in a game conducted under chapter 349.

(c) It is an affirmative defense to a charge under paragraph (b) for the person to prove by a preponderance of the evidence that the person, reasonably and in good faith, relied upon representation of proof of age described in section 340A.503, subdivision 6, in providing the person under the age of 18 the chance to participate.

Sec. 76. Minnesota Statutes 1992, section 349.213, subdivision 1, is amended to read:

Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home rule city or county has the authority to adopt more stringent regulation of lawful gambling within its jurisdiction, including the prohibition of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.166. 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 gross profits less amounts expended for allowable expenses and paid in taxes assessed on lawful gambling. 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 8, or 349.212; provided, however, that an ordinance require-

ment that such organizations must contribute ten percent of their net profits derived from lawful gambling *conducted at premises within the city's or county's jurisdiction* 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.

(b) 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 be limited to lawful purpose expenditures of gross profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction*, 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 trade area defined by a city under this subdivision must include each city contiguous to the defining city.

(c) 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, except a political subdivision may prohibit the use of paddlewheels.

Sec. 77. Minnesota Statutes 1992, section 349A.03, subdivision 2, is amended to read:

Subd. 2. [BOARD DUTIES.] The board has the following duties:

- (1) to advise the director on all aspects of the lottery;
- (2) to review and comment on rules and game procedures adopted by the director;
- (3) review and comment on lottery procurement contracts;
- (4) review and comment on agreements between the director and one or more other lotteries relating to a joint lottery; *and*
- (5) to review and comment on advertising promulgated by the director at least quarterly to ensure that all advertising is consistent with the dignity of the state and with section 349A.09; *and*
- (6) to ~~approve additional compensation for the director under subdivision 3.~~

Sec. 78. Minnesota Statutes 1992, section 349A.12, subdivision 1, is amended to read:

Subdivision 1. [PURCHASE BY MINORS.] A person under the age of 18 years may not buy *or redeem for a prize* a ticket in the state lottery.

Sec. 79. Minnesota Statutes 1992, section 349A.12, subdivision 2, is amended to read:

Subd. 2. [SALE TO MINORS.] A lottery retailer *or other person* may not sell, *furnish, or redeem for a prize* a ticket in the state lottery to any person under the age of 18 years. It is an affirmative defense to a charge under this subdivision for the lottery retailer to prove by a preponderance of the evidence that the lottery retailer reasonably and in good faith relied upon representation

of proof of age described in section 340A.503, subdivision 6, in making the sale or furnishing or redeeming the ticket.

Sec. 80. Minnesota Statutes 1992, section 349A.12, subdivision 6, is amended to read:

Subd. 6. [VIOLATIONS.] A violation of subdivision 1 is a petty misdemeanor. A violation of subdivision 1 or 2 or a rule adopted by the director is a misdemeanor. A violation of subdivision 3 or 4 is a gross misdemeanor.

Sec. 81. [471.6151] [CONTRIBUTIONS FROM LAWFUL GAMBLING ORGANIZATIONS.]

*Contributions of receipts derived from lawful gambling to a statutory or home rule charter city, county, or town made by an organization licensed to conduct lawful gambling under chapter 349 may not be used for the benefit of a pension or retirement fund.*

Sec. 82. [609.756] [GAMBLING PROHIBITED BY PERSONS UNDER 18.]

*A person under the age of 18 who does any of the following is guilty of a misdemeanor:*

*(1) places a pari-mutuel bet or presents a pari-mutuel ticket for payment for horse racing conducted under chapter 240;*

*(2) purchases or redeems for a prize a state lottery ticket under chapter 349A;*

*(3) purchases or redeems for a prize a pull-tab, tipboard ticket, pad-dleticket, bingo hard card or paper sheet, or ticket for entry in a raffle, unless the purchase price of the ticket for entry in the raffle is \$1 or less, for games conducted under chapter 349;*

*(4) makes a private social bet; or*

*(5) purchases a chance to win anything of value in any other form of gambling.*

Sec. 83. [REPEALER.]

*(a) Minnesota Statutes 1992, section 349A.03, subdivision 3, is repealed.*

*(b) Minnesota Statutes 1992, section 349A.12, subdivision 5, is repealed.*

Sec. 84. [EFFECT.]

*Sections 77 and 83, paragraph (a), may not be construed to reduce the rate of compensation paid the director of the state lottery as of the effective date of this act.*

Sec. 85. [EFFECTIVE DATE.]

*Sections 77; 83, paragraph (a); and 84 are effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for*

violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include certain senior citizen activities, certain real estate taxes and assessments, and wildlife management projects; prohibiting the use of lawful purpose contributions by local governmental units in pension or retirement funds; exempting organizations with gross receipts of \$50,000 or less from the annual audit; expanding the definition of a class C license; making class C licensee reporting requirements quarterly; modifying the definition of allowable expense to include some advertising costs; eliminating additional compensation for the state lottery director; clarifying and strengthening the regulation of the conduct of bingo; prohibiting all gambling by persons under 18 except for certain raffles; modifying the definition of net profits for local assessments; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.25, by adding a subdivision; 240.26, subdivision 3; 299L.03, subdivisions 1 and 2; 299L.07, by adding a subdivision; 349.12, subdivisions 1, 3a, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivisions 6 and 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168; subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 6, 8, and 9; 349.191, subdivisions 1, 4, and by adding a subdivision; 349.211, subdivisions 1 and 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2, 4, and by adding a subdivision; 349.213, subdivision 1; 349A.03, subdivision 2; and 349A.12, subdivisions 1, 2, and 6; proposing coding for new law in Minnesota Statutes, chapters 471; and 609; repealing Minnesota Statutes 1992, sections 349A.03, subdivision 3; and 349A.12, subdivision 5."

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 149, 233, 109, 238, 44 and 186 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Berg moved that the name of Mr. Dille be added as a co-author to S.F. No. 82. The motion prevailed.

Ms. Berglin moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 377. The motion prevailed.

Mr. Knutson moved that his name be stricken as chief author, shown as a co-author and the name of Mrs. Benson, J.E. be added as chief author to S.F. No. 398. The motion prevailed.

Mr. Janezich moved that S.F. No. 233, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.



### CONSENT CALENDAR

S.F. No. 216: A bill for an act relating to domestic abuse; clarifying requirements for law enforcement domestic abuse arrest policies; amending Minnesota Statutes 1992, section 629.342, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Murphy	Runbeck
Anderson	Flynn	Laidig	Neuville	Sams
Beckman	Frederickson	Langseth	Novak	Samuelson
Belanger	Hanson	Larson	Oliver	Solon
Benson, D.D.	Hottinger	Lesewski	Olson	Spear
Benson, J.E.	Janezich	Lessard	Pappas	Stevens
Berg	Johnson, D.E.	Luther	Pariseau	Stumpf
Berglin	Johnson, D.J.	Marty	Piper	Terwilliger
Bertram	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Betzold	Johnson	Merriam	Price	Wiener
Chandler	Kelly	Metzen	Ranum	
Chmielewski	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riviness	
Dille	Krentz	Morse	Robertson	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. Nos. 12 and 119, which the committee recommends to pass.

H.F. No. 1, which the committee recommends to pass with the following amendments offered by Mr. Luther:

Mr. Luther moved to amend H.F. No. 1 as follows:

Page 1, line 12, delete "*follows*" and insert "*provided in this section*"

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 1 as follows:

Page 1, after line 23, insert:

"Sec. 2. Minnesota Statutes 1992, section 3.30, subdivision 2, is amended to read:

Subd. 2. [MEMBERS; DUTIES.] The majority leader of the senate or a designee, the chair of the senate committee on finance, and the chair of the senate division of finance responsible for overseeing the items being considered by the commission, the speaker of the house of representatives or a designee, the chair of the house committee on ~~appropriations~~ *ways and means*, and the chair of the *finance* division of the house ~~appropriations~~ committee responsible for overseeing the items being considered by the

commissioner constitute the legislative advisory commission. The division chair of the finance committee in the senate and the division chair of the ~~appropriations committee~~ *finance division* in the house shall rotate according to the items being considered by the commission. If any of the members elect not to serve on the commission, the house of which they are members, if in session, shall select some other member for the vacancy. If the legislature is not in session, vacancies in the house membership of the commission shall be filled by the last speaker of the house or, if the speaker is not available, by the last chair of the house rules committee, and by the last senate committee on committees or other appointing authority designated by the senate rules in case of a senate vacancy. The commissioner of finance shall be secretary of the commission and keep a permanent record and minutes of its proceedings, which are public records. The commissioner of finance shall transmit, under section 3.195, a report to the next legislature of all actions of the commission. Members shall receive traveling and subsistence expenses incurred attending meetings of the commission. The commission shall meet from time to time upon the call of the governor or upon the call of the secretary at the request of two or more of its members. A recommendation of the commission must be made at a meeting of the commission unless a written recommendation is signed by all the members entitled to vote on the item, except that a recommendation under section 298.2213, subdivision 4, or 298.296, subdivision 1, need only be signed by a majority of the members entitled to vote on the item.

Sec. 3. Minnesota Statutes 1992, section 3.855, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The legislative commission on employee relations is created. The commission consists of six members of the senate and six members of the house of representatives. The senate members shall be the leader of the majority caucus of the senate, the leader of the minority caucus of the senate, the chair of the governmental operations *and reform* committee, the chair of the finance committee, the chair of the committee on taxes and tax laws, and an additional member designated by the leader of the minority caucus. The house members shall be the speaker, the leader of the minority caucus of the house, the chair of the governmental operations *and gaming* committee, the chair of the ~~appropriations ways and means~~ committee, the chair of the taxes committee, and an additional member designated by the leader of the minority caucus. If the membership of the house is evenly divided, the house members shall be selected under the rules of the house. A member of the commission may resign by providing notice to the chair. Upon resignation by a member of the:

(1) senate, a replacement shall be selected from among the members of the senate by the committee on rules;

(2) house, a replacement shall be selected from among the members of the house under house rules.

The commission shall elect officers for terms of two years. The chair of the commission shall alternate between a member of the senate and a member of the house.

Sec. 4. Minnesota Statutes 1992, section 3.873, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP AND TERMS.] The commission consists of 16 members that reflect a proportionate representation from each party. Eight members from the house shall be appointed by the speaker of the house and eight members from the senate shall be appointed by the subcommittee on committees of the committee on rules and administration. The membership must include members of the following committees in the house and the senate: health and human services, *family services*, *health care*, governmental operations and gaming, *governmental operations and reform*, education, judiciary, and ~~appropriations~~ *ways and means* or finance. The commission must have representatives from both rural and metropolitan areas. The terms of the members are for two years beginning on January 1 of each odd-numbered year.

Sec. 5. Minnesota Statutes 1992, section 3.97, subdivision 2, is amended to read:

Subd. 2. The legislative audit commission is created. The commission consists of:

- (1) the majority leader of the senate and the president of the senate or their designees;
- (2) the chair of the senate committee on taxes or a designee who is a member of the committee;
- (3) the chair of the senate committee on governmental operations *and reform* or a designee who is a member of the committee;
- (4) the chair of the senate committee on finance or a designee who is a member of the committee;
- (5) three members of the senate appointed by the senate minority leader;
- (6) the speaker of the house and the chair of the house committee on rules or their designees;
- (7) the chair of the house committee on taxes or a designee who is a member of the committee;
- (8) the chair of the house committee on governmental operations *and gaming* or a designee who is a member of the committee;
- (9) the chair of the house ~~appropriations~~ *ways and means* committee or a designee who is a member of the committee; and
- (10) three members of the house appointed by the house minority leader.

The appointed members of the commission shall serve for a term commencing upon appointment and expiring at the opening of the next regular session of the legislature in the odd-numbered year and until a successor is appointed. A vacancy in the membership of the commission shall be filled for the unexpired term in a manner that will preserve the representation established by this subdivision.

The commission shall elect its chair and other officers as it may determine necessary. It shall meet at the call of the chair or the executive secretary. The members shall serve without compensation but be reimbursed for their reasonable expenses as members of the legislature. The commission may exercise the powers prescribed by section 3.153.

Sec. 6. Minnesota Statutes 1992, section 3.98, subdivision 1, is amended to read:

Subdivision 1. The head or chief administrative officer of each department or agency of the state government, including the supreme court, shall prepare a fiscal note at the request of the chair of the standing committee to which a bill has been referred, or the chair of the house *appropriations ways and means* committee, or the chair of the senate committee on finance.

For purposes of this subdivision, "supreme court" includes all agencies, committees, and commissions supervised or appointed by the state supreme court or the state court administrator.

Sec. 7. Minnesota Statutes 1992, section 11A.041, is amended to read:

11A.041 [REPORT ON POSTRETIREMENT INVESTMENT FUND INVESTMENT PERFORMANCE AND ADJUSTMENT CALCULATION.]

The state board of investment shall annually report to the legislative commission on pensions and retirement, the house of representatives governmental operations *and gaming* committee, and the senate governmental operations *and reform* committee on the investment performance investment activities, and postretirement adjustment calculations of the Minnesota postretirement investment fund established under section 11A.18. The annual report must be filed before January 1. The contents of the report must include the reporting requirements specified by the legislative commission on pensions and retirement as part of the standards adopted by the commission under section 3.85, subdivision 10. The report also may include any additional information that the state board of investment determines is appropriate.

Sec. 8. Minnesota Statutes 1992, section 15.161, is amended to read:

15.161 [ACCEPTANCE OF FEDERAL LANDS OR BUILDINGS; CONSULTATION WITH LEGISLATIVE COMMITTEES.]

The head of a state department or agency shall consult with the chair of the house *appropriations ways and means* committee and the chair of the senate finance committee before accepting any federal land or buildings thereon or any interest therein which is declared surplus by federal authorities and obtaining a recommendation thereon which shall be advisory only. Failure to obtain a recommendation thereon promptly shall be deemed a negative recommendation.

Sec. 9. Minnesota Statutes 1992, section 16A.128, subdivision 2a, is amended to read:

Subd. 2a. [PROCEDURE.] Other fees not fixed by law must be fixed by rule according to chapter 14. Before an agency submits notice to the State Register of intent to adopt rules that establish or adjust fees, the agency must send a copy of the notice and the proposed rules to the chairs of the house *appropriations ways and means* committee and senate finance committee.

Sec. 10. Minnesota Statutes 1992, section 16A.69, subdivision 2, is amended to read:

Subd. 2. [TRANSFER BETWEEN ACCOUNTS.] Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency

to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of technical colleges, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house appropriations ways and means committee before the transfer is made under this subdivision.

Sec. 11. Minnesota Statutes 1992, section 16B.335, is amended to read:

16B.335 [REVIEW OF PLANS AND PROJECTS.]

Subdivision 1. [CONSTRUCTION AND MAJOR REMODELING.] The commissioner, or any other agency to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition authorized by the appropriation until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate finance committee and the chair of the house appropriations ways and means committee and the chairs have made their recommendations. "Construction or major remodeling" means construction of a new building or substantial alteration of the exterior dimensions or interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted. The program plans and estimates must be presented for review at least two weeks before a recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation.

Subd. 2. [OTHER PROJECTS.] All other capital projects except for those contained in agency operations budgets, including building improvements, small structures at experiment stations, asbestos removal, life safety, PCB removal, tuckpointing, roof repair, code compliance, landscaping, drainage, electrical and mechanical systems work, paving of streets, parking lots, and the like must not proceed until the agency undertaking the project has notified the chair of the senate finance committee and the chair of the house appropriations ways and means committee that the work is ready to begin.

Sec. 12. Minnesota Statutes 1992, section 16B.41, subdivision 2, is amended to read:

Subd. 2. [RESPONSIBILITIES.] The office has the following duties:

(a) The office must develop and establish a state information architecture to ensure that further state agency development and purchase of information systems equipment and software is directed in such a manner that individual agency information systems complement and do not needlessly duplicate or needlessly conflict with the systems of other agencies. In those instances where state agencies have need for the same or similar computer data, the commissioner shall ensure that the most efficient and cost-effective method of producing and storing data for or sharing data between those agencies is used. The development of this information architecture must include the establish-

ment of standards and guidelines to be followed by state agencies. The commissioner of administration must establish interim standards and guidelines by August 1, 1987. The office must establish permanent standards and guidelines by July 1, 1988. On January 1, 1988, and every six months thereafter, any state agency that has purchased information systems equipment or software in the past six months, or that is contemplating purchasing this equipment or software in the next six months, must report to the office and to the chairs of the house appropriations ways and means committee and the senate finance committee on how the purchases or proposed purchases comply with the applicable standards and guidelines.

(b) The office shall assist state agencies in the planning and management of information systems so that an individual information system reflects and supports the state agency's and the state's mission, requirements, and functions.

(c) The office must review and approve all agency requests for legislative appropriations for the development or purchase of information systems equipment or software. Requests may not be included in the governor's budget submitted to the legislature, unless the office has approved the request.

(d) Each biennium the office must rank in order of priority agency requests for new appropriations for development or purchase of information systems equipment or software. The office must submit this ranking to the legislature at the same time, or no later than 14 days after, the governor submits the budget message to the legislature.

(e) The office must define, review, and approve major purchases of information systems equipment to (1) ensure that the equipment follows the standards and guidelines of the state information architecture; (2) ensure that the equipment is consistent with the information management principles adopted by the information policy council; (3) evaluate whether or not the agency's proposed purchase reflects a cost-effective policy regarding volume purchasing; and (4) ensure the equipment is consistent with other systems in other state agencies so that data can be shared among agencies, unless the office determines that the agency purchasing the equipment has special needs justifying the inconsistency. The commissioner of finance may not allot funds appropriated for major purchases of information systems equipment until the office reviews and approves the proposed purchase. A public institution of higher education must not purchase interconnective computer technology without the prior approval of the office.

(f) The office shall review the operation of information systems by state agencies and provide advice and assistance so that these systems are operated efficiently and continually meet the standards and guidelines established by the office.

Sec. 13. Minnesota Statutes 1992, section 18E.06, is amended to read:

18E.06 [REPORT TO WATER COMMISSION.]

By November 1, 1990, and each year thereafter, the agricultural chemical response compensation board and the commissioner shall submit to the house of representatives committee on appropriations ways and means, the senate committee on finance, and the legislative water commission a report detailing the activities and reimbursements for which money from the account has been spent during the previous year.

Sec. 14. Minnesota Statutes 1992, section 115B.20, subdivision 6, is amended to read:

Subd. 6. [REPORT TO LEGISLATURE.] Each year, the commissioner of agriculture and the agency shall submit to the senate finance committee, the house appropriations ways and means committee, and the legislative commission on waste management a report detailing the activities for which money from the account has been spent during the previous fiscal year.

Sec. 15. Minnesota Statutes 1992, section 116P.05, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] (a) A legislative commission on Minnesota resources of 16 members is created, consisting of the chairs of the house and senate committees on environment and natural resources or designees appointed for the terms of the chairs, the chairs of the house appropriations ways and means and senate finance committees or designees appointed for the terms of the chairs, six members of the senate appointed by the subcommittee on committees of the committee on rules and administration, and six members of the house appointed by the speaker.

At least two members from the senate and two members from the house must be from the minority caucus. Members are entitled to reimbursement for per diem expenses plus travel expenses incurred in the services of the commission.

(b) Members shall appoint a chair who shall preside and convene meetings as often as necessary to conduct duties prescribed by this chapter.

(c) Members shall serve on the commission until their successors are appointed.

(d) Vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out their duties, and vacancies shall be filled in the same manner under paragraph (a).

Sec. 16. Minnesota Statutes 1992, section 124.078, is amended to read:

124.078 [PERMANENT SCHOOL FUND ADVISORY COMMITTEE.]

A state permanent school fund advisory committee is established to advise the department of natural resources on the management of permanent school fund land, which is held in trust for the school districts of the state. The advisory committee shall consist of the following persons or their designees: the chairs of the education committees of the legislature, the chairs of the senate committee on finance and house committee on appropriations ways and means, the commissioner of education, one superintendent from a nonmetropolitan district, and one superintendent from a metropolitan area district. The school district superintendents shall be appointed by the commissioner of education.

The advisory committee shall review the policies of the department of natural resources on management of school trust fund lands and shall recommend necessary changes in policy and implementation in order to ensure provident utilization of the permanent school fund lands.

Sec. 17. Minnesota Statutes 1992, section 135A.05, is amended to read:

135A.05 [TASK FORCE.]

The executive director of the Minnesota higher education coordinating board shall administer a task force on average cost funding. The task force shall include representation from each of the public systems of post-secondary education, post-secondary students, the *higher education finance* division of the house ~~appropriations~~ *education* committee, the *higher education* division of the senate ~~finance~~ *education* committee, and the office of the commissioner of finance. The task force shall be convened and chaired by the executive director or a designee and staffed by the higher education coordinating board. The task force shall be convened at least annually. The task force shall review and make recommendations on the definition of instructional cost in all four systems, the method of calculating average cost for funding purposes, the method used to assign programs to the proper level of cost at each level of instruction, the adequacy of the accounting data for defining instructional cost in a uniform manner, and the biennial budget format to be used by the four systems in submitting their biennial budget requests. The task force shall submit a report on these matters to the legislature by December 1 of each odd-numbered year. The task force expires June 30, 1993.

Sec. 18. Minnesota Statutes 1992, section 136.261, subdivision 1, is amended to read:

Subdivision 1. [PURCHASE OF NEIGHBORING PROPERTY.] The state university board may purchase property adjacent to or in the vicinity of the campuses as necessary for the development of the universities. Before taking action, the board shall consult with the chairs of the senate finance committee and the house ~~appropriations~~ *ways and means* committee about the proposed action. The board shall explain the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition.

Sec. 19. Minnesota Statutes 1992, section 136.41, subdivision 8, is amended to read:

Subd. 8. The state university board or a successor may issue additional revenue bonds under sections 136.31 to 136.38 in an aggregate principal amount not exceeding \$40,000,000, subject to the resolutions authorizing its outstanding revenue bonds, and payable from the revenue appropriated to the fund established by section 136.35, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures to be used for dormitory, residence hall, student union, food service, and related parking purposes at the state universities. Before issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house ~~appropriations~~ *ways and means* committee and the senate finance committee about the facilities to be financed by the bonds.

Sec. 20. Minnesota Statutes 1992, section 137.02, subdivision 3a, is amended to read:

Subd. 3a. [CONSULTATION REQUIRED.] Land must not be purchased and a building must not be purchased, constructed, or erected on land of the University of Minnesota until the regents have first consulted with the chair of the senate finance committee and the chair of the house ~~appropriations~~ *ways and means* committee and obtained their advisory recommendations.

Sec. 21. Minnesota Statutes 1992, section 144.878, subdivision 5, is amended to read:



Subd. 5. [LEAD ABATEMENT CONTRACTORS AND EMPLOYEES.] The commissioner shall adopt rules to license abatement contractors, to certify employees of lead abatement contractors who perform abatement, and to certify lead abatement trainers who provide lead abatement training for contractors, employees, or other lead abatement trainers. The rules must include standards and procedures for on-the-job training for swab teams. All lead abatement training must include a hands-on component and instruction on the health effects of lead exposure, the use of personal protective equipment, workplace hazards and safety problems, abatement methods and work practices, decontamination procedures, cleanup and waste disposal procedures, lead monitoring and testing methods, and legal rights and responsibilities. At least 30 days before publishing initial notice of proposed rules under this subdivision on the licensing of lead abatement contractors, the commissioner shall submit the rules to the chairs of the health and human services ~~committees~~ *committee* in the house of representatives and the *health care committee* in the senate, and to any legislative committee on licensing created by the legislature.

Sec. 22. Minnesota Statutes 1992, section 144A.071, subdivision 5, is amended to read:

Subd. 5. [REPORT.] The commissioner of the state planning agency, in consultation with the commissioners of health and human services, shall report to the senate health and human services *care* committee and the house health and ~~welfare~~ *human services* committee by January 15, 1986 and biennially thereafter regarding:

- (1) projections on the number of elderly Minnesota residents including medical assistance recipients;
- (2) the number of residents most at risk for nursing home placement;
- (3) the needs for long-term care and alternative home and noninstitutional services;
- (4) availability of and access to alternative services by geographic region; and
- (5) the necessity or desirability of continuing, modifying, or repealing the moratorium in relation to the availability and development of the continuum of long-term care services.

Sec. 23. Minnesota Statutes 1992, section 246.64, subdivision 3, is amended to read:

Subd. 3. [RESPONSIBILITIES OF COMMISSIONER.] The commissioner shall credit all receipts from billings for rates set in subdivision 1, except those credited according to subdivision 2, to the chemical dependency fund. This money must not be used for a regional treatment center activity that is not a chemical dependency service or an allocation of expenditures that are included in the base for computation of the rates under subdivision 1. The commissioner may expand chemical dependency services so long as expenditures are recovered by patient fees, transfer of funds, or supplementary appropriations. The commissioner may expand or reduce chemical dependency staff complement as long as expenditures are recovered by patient fees, transfer of funds, or supplementary appropriations. Notwithstanding chapters 176 and 268, the commissioner shall provide for the self-insurance of regional treatment center chemical dependency programs for the costs of unemploy-

ment compensation and workers' compensation claims. The commissioner shall provide a biennial report to the chairs of the senate ~~finance subcommittee on health and human services~~ *division on health care and family services*, the house of representatives ~~human services division of appropriations on health and housing finance~~, and the senate *health care committee* and house of representatives *health and human services committee*.

Sec. 24. Minnesota Statutes 1992, section 256.014, subdivision 3, is amended to read:

Subd. 3. [REPORT.] The commissioner of human services shall report to the chair of the house ~~appropriations ways and means~~ committee and the chair of the senate finance committee on January 1 of each year detailing project expenditures to date, methods used to maximize county participation, and the fiscal impact on programs, counties, and clients.

Sec. 25. Minnesota Statutes 1992, section 256.031, subdivision 3, is amended to read:

Subd. 3. [AUTHORIZATION FOR THE DEMONSTRATION.] (a) The commissioner of human services, in consultation with the commissioners of education, finance, jobs and training, health, and planning, and the director of the higher education coordinating board, is authorized to proceed with the planning and designing of the Minnesota family investment plan and to implement the plan to test policies, methods, and cost impact on an experimental basis by using field trials. The commissioner, under the authority in section 256.01, subdivision 2, shall implement the plan according to sections 256.031 to 256.0361 and Public Law Numbers 101-202 and 101-239, section 8015, as amended. If major and unpredicted costs to the program occur, the commissioner may take corrective action consistent with Public Law Numbers 101-202 and 101-239, which may include termination of the program. Before taking such corrective action, the commissioner shall consult with the chairs of the senate ~~health and human family services~~ committee, the house health and human services committee, the *health care and human family services division of the senate finance committee family services and health care committees* and the human ~~resources services~~ division of the house ~~appropriations health and human services~~ committee, or, if the legislature is not in session, consult with the legislative advisory commission.

(b) The field trials shall be conducted as permitted under federal law, for as many years as necessary, and in different geographical settings, to provide reliable instruction about the desirability of expanding the program statewide.

(c) The commissioner shall select the counties which shall serve as field trial or comparison sites based on criteria which ensure reliable evaluation of the program.

(d) The commissioner is authorized to determine the number of families and characteristics of subgroups to be included in the evaluation.

(i) A family that applies for or is currently receiving financial assistance from aid to families with dependent children; family general assistance or work readiness; or food stamps may be tested for eligibility for aid to families with dependent children or family general assistance and may be assigned by the commissioner to a test or a comparison group for the purposes of evaluating the family investment plan. A family found not eligible for aid to

families with dependent children or family general assistance will be tested for eligibility for the food stamp program. If found eligible for the food stamp program, the commissioner may randomly assign the family to a test group, comparison group, or neither group. Families assigned to a test group receive benefits and services through the family investment plan. Families assigned to a comparison group receive benefits and services through existing programs. A family may not select the group to which it is assigned. Once assigned to a group, an eligible family must remain in that group for the duration of the project.

(ii) To evaluate the effectiveness of the family investment plan, the commissioner may designate a subgroup of families from the test group who shall be exempt from section 256.035, subdivision 1, and shall not receive case management services under section 256.035, subdivision 6a. Families are eligible for services under section 256.736 to the same extent as families receiving AFDC.

Sec. 26. Minnesota Statutes 1992, section 256.736, subdivision 3a, is amended to read:

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

- (1) caretakers who are required to participate in a job search under subdivision 14;
- (2) custodial parents who are subject to the school attendance or case management participation requirements under subdivision 3b;
- (3) caretakers whose participation in employment and training services began prior to May 1, 1990, if the caretaker's AFDC eligibility has not been interrupted for 30 days or more and the caretaker's employability development plan has not been completed;
- (4) recipients who are members of a family in which the youngest child is within two years of being ineligible for AFDC due to age;
- (5) custodial parents under the age of 24 who: (i) have not completed a high school education and who, at the time of application for AFDC, were not enrolled in high school or in a high school equivalency program; or (ii) have had little or no work experience in the preceding year;
- (6) recipients who have received AFDC for 36 or more months out of the last 60 months;
- (7) recipients who are participants in the self-employment investment demonstration project under section 268.95; and
- (8) recipients who participate in the new chance research and demonstration project under contract with the department of human services.

(b) If the commissioner determines that participation of persons listed in paragraph (a) in employment and training services is insufficient either to meet federal performance targets or to fully utilize funds appropriated under this section, the commissioner may, after notifying the chairs of the senate and family services committee, the house health and human services committees committee, the health and human family services division of the senate finance committee family services and health care committees, and the health and

human services division of the house ~~appropriations~~ *health and human services* committee, permit additional groups of recipients to participate until the next meeting of the legislative advisory commission, after which the additional groups may continue to enroll for participation unless the legislative advisory commission disapproves the continued enrollment. The commissioner shall allow participation of additional groups in the following order only as needed to meet performance targets or fully utilize funding for employment and training services under this section:

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

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

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

Sec. 27. Minnesota Statutes 1992, section 256.736, subdivision 9, is amended to read:

Subd. 9. [CHANGES IN STATE PLAN AND RULES; WAIVERS.] The commissioner of human services shall make changes in the state plan and rules or seek any waivers or demonstration authority necessary to minimize barriers to participation in the employment and training services or to employment. Changes must be sought in at least the following areas: allowances, child care, work expenses, the amount and duration of earnings incentives, medical care coverage, limitations on the hours of employment, and administrative standards and procedures. The commissioner shall implement each change as soon as possible. Before implementing any demonstration project or a program that is a result of a waiver, the conditions under section 256.01, subdivision 1, clause (12), must be met, and the chair of the senate ~~health and human~~ *family* services committee and the chair of the house of representatives ~~health and human~~ *services* committee must be notified.

Sec. 28. Minnesota Statutes 1992, section 256.9352, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL MANAGEMENT.] The commissioner shall manage spending for the health right plan in a manner that maintains a minimum reserve equal to five percent of the expected cost of state premium subsidies. The commissioner must make a quarterly assessment of the expected expenditures for the covered services for the remainder of the current fiscal year and for the following two fiscal years. The estimated expenditure shall be compared to an estimate of the revenues that will be deposited in the health care access fund. Based on this comparison, and after consulting with the chairs of the house ~~appropriations~~ *ways and means* committee and the senate

finance committee, and the legislative commission on health care access, the commissioner shall make adjustments as necessary to ensure that expenditures remain within the limits of available revenues. The adjustments the commissioner may use must be implemented in this order: first, stop enrollment of single adults and households without children; second, upon 45 days' notice, stop coverage of single adults and households without children already enrolled in the health right plan; third, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income above 200 percent of the federal poverty guidelines; fourth, upon 90 days' notice, decrease the premium subsidy amounts by ten percent for families with gross annual income at or below 200 percent; and fifth, require applicants to be uninsured for at least six months prior to eligibility in the health right plan. If these measures are insufficient to limit the expenditures to the estimated amount of revenue, the commissioner may further limit enrollment or decrease premium subsidies.

If the commissioner determines that, despite adjustments made as authorized under this subdivision, estimated costs will exceed the forecasted amount of available revenues other than the reserve, the commissioner may, with the approval of the commissioner of finance, use all or part of the reserve to cover the costs of the program.

Sec. 29. Minnesota Statutes 1992, section 256B.0629, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REPORT.] The advisory committee shall present an annual report to the commissioner and the chairs of the health and ~~human services appropriations divisions~~ *housing finance division* of the house ~~appropriations health and human services committee~~ and the *health care and family services division of the senate* ~~finance committee~~ *family services and health care committees* by January 1 of each year on the findings and recommendations of the committee.

Sec. 30. Minnesota Statutes 1992, section 256B.0925, subdivision 3, is amended to read:

Subd. 3. [RULE WAIVER.] The commissioner is authorized to grant a waiver from portions of Minnesota Rules, parts 9525.0015 to 9525.0165. The commissioner shall report to the health and ~~human services committees~~ *care committee* of the senate and *the health and human services committee* of the house of representatives on any portion of the rule that the commissioner is requested to waive and the disposition of the request.

Sec. 31. Minnesota Statutes 1992, section 268.916, is amended to read:

268.916 [REPORTS.]

Each grantee shall submit an annual report to the commissioner on the format designated by the commissioner, including program information report data. By January 1 of each year, the commissioner shall prepare an annual report to the health and human services ~~committees~~ *committee* of the ~~legislature~~ *house of representatives* and *the family services committee of the senate* concerning the uses and impact of head start supplemental funding, including a summary of innovative programs and the results of innovative programs and an evaluation of the coordination of head start programs with employment and training services provided to AFDC recipients.

Sec. 32. Minnesota Statutes 1992, section 355.50, is amended to read:

## 355.50 [STATE EMPLOYEES, APPROPRIATION.]

With respect to state employees, each department and agency shall pay the amounts required by sections 355.41 to 355.60 from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing, for the payment of salaries and in the same proportion as it pays therefrom the amounts of such salaries. Such payments shall be charged as an administrative cost by such units of state government.

If the federal government increases the required contributions for social security, and as a result of the increase there are insufficient moneys in any such accounts or fund or source of revenue to make the payments to the contribution fund required by sections 355.41 to 355.60 by such departments or agencies, there is hereby appropriated to such department or agency from any moneys in the state treasury not otherwise appropriated such moneys as are required to meet such deficiencies. The amount of each payment made pursuant to these provisions shall be certified by the commissioner of employee relations to the commissioner of finance at such times as the commissioner of finance shall require. The amount certified as necessary to meet a deficiency caused by an increase in federal contribution requirements shall be reported to the senate committee on finance and the house committee on ~~appropriations~~ *ways and means* before the commissioner of finance transfers any money to meet the deficiency.

For those employees of the state or its instrumentalities who as eligible members in the state employees retirement association are employed by the state horticultural society, the disabled American veterans, department of Minnesota, veterans of foreign wars, department of Minnesota, the Minnesota crop improvement association, the Minnesota historical society, the armory building commission and the Minnesota-Wisconsin-Minneapolis-St. Paul survival plan project, these units of government shall also pay into the contribution fund contributions with respect to wages equal to the sum of taxes which would be imposed by the Federal Insurance Contributions Act if the services covered by such agreement or modification constituted employment within the meaning of that act.

Sec. 33. Minnesota Statutes 1992, section 473.846, is amended to read:

473.846 [REPORT TO LEGISLATURE.]

By November 1, 1986, and each year thereafter, the agency and metropolitan council shall submit to the senate finance committee, the house ~~appropriations~~ *ways and means* committee, and the legislative commission on waste management separate reports describing the activities for which money from the landfill abatement and contingency action funds has been spent during the previous fiscal year. The council may incorporate its report in the report required by section 473.149. In its 1988 report, the council shall make recommendations to the legislature on the future management and use of the metropolitan landfill abatement fund.

Sec. 34. [REPEALER.]

*Minnesota Statutes 1992, section 268.081, is repealed."*

Page 1, line 25, delete "Section 1" and insert "This act"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "the legislature" and insert "legislative committees"

Page 1, line 3, after the semicolon, insert "updating statutory references to names of committees; amending Minnesota Statutes 1992, sections 3.30, subdivision 2; 3.855, subdivision 1; 3.873, subdivision 2; 3.97, subdivision 2; 3.98, subdivision 1; 11A.041; 15.161; 16A.128, subdivision 2a; 16A.69, subdivision 2; 16B.335; 16B.41, subdivision 2; 18E.06; 115B.20, subdivision 6; 116P.05, subdivision 1; 124.078; 135A.05; 136.261, subdivision 1; 136.41, subdivision 8; 137.02, subdivision 3a; 144.878, subdivision 5; 144A.071, subdivision 5; 246.64, subdivision 3; 256.014, subdivision 3; 256.031, subdivision 3; 256.736, subdivisions 3a and 9; 256.9352, subdivision 3; 256B.0629, subdivision 3; 256B.0925, subdivision 3; 268.916; 355.50; and 473.846;"

Page 1, line 5, before the period, insert "; repealing Minnesota Statutes 1992, section 268.081"

The motion prevailed. So the amendment was adopted.

S.F. No. 48, which the committee recommends to pass with the following amendment offered by Mr. Betzold:

Page 2, line 21, delete everything after the period

Page 2, delete lines 22 to 28

Page 4, line 9, after "DATE" insert "; APPLICATION"

Page 4, line 10, after the period, insert "*A request for notice under Minnesota Statutes, section 580.032, subdivision 1, filed on or after August 1, 1992, and prior to August 1, 1993, that is not a separate and distinct document, or incorporated in a mechanic's lien statement filed for record pursuant to Minnesota Statutes, section 514.08, ceases to be a request for notice on June 30, 1994, unless a supplemental request for notice that complies with Minnesota Statutes, section 580.032, subdivision 1, and states the recording information, including document number or book and page of the original request for notice, is filed before July 1, 1994.*"

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

Ms. Pappas moved that S.F. No. 382 be withdrawn from the Committee on Commerce and Consumer Protection and re-referred to the Committee on Health Care. 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. Solon and Johnson, D.J. introduced—

S.F. No. 406: A bill for an act relating to local government; authorizing a local unit of government which self-insures health benefits for employees to enroll employees of the exclusive representative of its employees in those plans; amending Minnesota Statutes 1992, section 471.617, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Mrs. Benson, J.E.; Messrs. Larson, Knutson, Mrs. Pariseau and Mr. Neuville introduced—

S.F. No. 407: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; amending Minnesota Statutes 1992, sections 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Mr. Johnson, D.J. introduced—

S.F. No. 408: A bill for an act relating to taxation; real property; providing additional information with the proposed notices; amending Minnesota Statutes 1992, section 275.065, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Pogemiller, Morse, Terwilliger, Stumpf and Riveness introduced—

S.F. No. 409: A bill for an act relating to retirement; Minneapolis employees retirement fund; amending Minnesota Statutes 1992, sections 422A.05, subdivisions 1 and 2a; 422A.08, subdivision 5; and 422A.101, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Pogemiller and Laidig introduced—

S.F. No. 410: A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Vickerman, Morse, Ms. Hanson, Messrs. Janezich and Chmielewski introduced—

S.F. No. 411: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; amending Minnesota Statutes 1992, sections 148.572; 148.574; 151.01,



subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Mr. Johnson, D.J. introduced—

S.F. No. 412: A bill for an act relating to taxation; providing that the motor vehicle registrar may divulge information contained in motor vehicle purchaser's certificates to local officials administering a local sales or use tax; amending Minnesota Statutes 1992, section 297B.12.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Janezich; Johnson, D.J. and Lessard introduced—

S.F. No. 413: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county.

Referred to the Committee on Environment and Natural Resources.

Ms. Flynn, Messrs. Mondale, Novak and Oliver introduced—

S.F. No. 414: A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1992, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.373, subdivision 4a; 473.399, subdivision 1; 473.3993; 473.3994, subdivisions 2, 3, 4, 5, 7, and by adding subdivisions; 473.3996; 473.3997; 473.3998; 473.4051; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1992, sections 473.399, subdivisions 2 and 3; 473.3991; 473.3994, subdivision 6; Laws 1991, chapter 291, article 4, section 20.

Referred to the Committee on Metropolitan and Local Government.

Ms. Anderson, Messrs. Metzen; Finn, Ms. Johnson, J.B. and Mr. Frederickson introduced—

S.F. No. 415: A bill for an act relating to housing; requiring owner to furnish a tenant with a copy of a written lease; requiring disclosure of inspection and condemnation orders; clarifying a tenant's abandonment of property; modifying procedure for tenant file disclosure by tenant screening services; modifying low-income housing; providing penalties; amending Minnesota Statutes 1992, sections 504.22, subdivision 2; 504.24; 504.29, by adding a subdivision; 504.30, subdivisions 1 and 4; 504.33, subdivision 5; 504.34, subdivisions 1 and 2; 566.17, subdivision 3; and 566.18, subdivisions 2 and 7; proposing coding for new law in Minnesota Statutes, chapter 504.

Referred to the Committee on Judiciary.

Messrs. Pogemiller and Cohen introduced—

S.F. No. 416: A bill for an act relating to elections; providing for a presidential primary by mail; changing the date of the presidential primary;

increasing the filing fee for an affidavit of candidacy; changing certain duties and procedures; amending Minnesota Statutes 1992, sections 204B.45, subdivision 3, and by adding a subdivision; 207A.01; 207A.02, subdivision 1a; 207A.03; 207A.04, subdivision 3; 207A.06, subdivision 2; 207A.08; and 207A.09; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1992, section 207A.07.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Metzen introduced—

S.F. No. 417: A bill for an act relating to public administration; providing that attorney general opinions given to public pension fund attorneys are decisive; amending Minnesota Statutes 1992, section 8.07.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Hottinger; Metzen; Luther; Johnson, D.E. and Ms. Anderson introduced—

S.F. No. 418: A bill for an act relating to insurance; the comprehensive health association; changing the determination of premium rates; clarifying the authority of the commissioner of commerce; changing the composition of the association's board; amending Minnesota Statutes 1992, sections 62E.08; 62E.09; 62E.10, subdivision 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 62E.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin and Mr. Benson, D.D. introduced—

S.F. No. 419: A bill for an act relating to health care; modifying and making corrections to the health right act; amending Minnesota Statutes 1992, sections 43A.317, subdivisions 2, 7, and 10; 62A.011, subdivision 3; 62A.021, subdivision 1; 62A.65, subdivision 5; 62J.04, subdivisions 2, 3, 4, 5, 6, and 7; 62J.09, subdivisions 1, 2, and 6; 62J.15, subdivision 2; 62J.17, subdivisions 2, 4, 5, and 6; 62J.19; 62J.23; 62J.29, subdivisions 1 and 4; 62J.30, subdivisions 4, 7, 8, and 10; 62J.31, subdivisions 2 and 3; 62J.32, subdivisions 1 and 4; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 8, 11, 15, and 16, and by adding a subdivision; 62L.03, subdivisions 2 and 5; 62L.05, subdivisions 1, 4, and 10; 62L.09, subdivision 2; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 1, 2, 3, 4, 5, 6, 7, and 9; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.17, subdivisions 1 and 4; 62L.19; 62L.20, subdivisions 1 and 2; 144.147, subdivision 4; 144.1481, subdivision 1; 256.045, subdivision 10; 256.9353, subdivisions 2, 6, and by adding a subdivision; 256.9354; 256.9355, subdivision 3; 256.9356, subdivision 2; 256.9357; 256B.0644; Laws 1992, chapter 549, articles 1, section 15; 2, sections 24 and 25; 3, section 24; and 4, section 18; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, sections 62J.05, subdivision 5; 62J.09, subdivisions 3 and 8; and 62J.21.

Referred to the Committee on Health Care.

Messrs. Johnson, D.E.; Hottinger and Bertram introduced—

S.F. No. 420: A bill for an act relating to taxation; sales and use tax; exempting purchases made by nonprofit groups for the purpose of maintaining a church cemetery; amending Minnesota Statutes 1992, section 297A.25, subdivision 16.

Referred to the Committee on Taxes and Tax Laws.

Ms. Johnston, Mr. Hottinger, Ms. Runbeck, Messrs. Sams and Murphy introduced—

S.F. No. 421: A bill for an act relating to towns; providing that town elections may take place on the general election day; amending Minnesota Statutes 1992, sections 365.51, subdivisions 1 and 3; and 365.59.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Johnston, Mrs. Pariseau, Ms. Robertson, Lesewski and Wiener introduced—

S.F. No. 422: A bill for an act relating to game and fish; establishing a combined angling license for a single parent and children under 18 years of age; amending Minnesota Statutes 1992, section 97A.475, subdivision 6.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnston, Messrs. Belanger, Neuville, Mrs. Benson, J.E. and Ms. Johnson, J.B. introduced—

S.F. No. 423: A bill for an act relating to taxation; sales and use; providing an exemption to counties for certain capital improvement projects; appropriating money; amending Minnesota Statutes 1992, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chmielewski, Johnson, D.J.; Frederickson; Kroening and Janezich introduced—

S.F. No. 424: A bill for an act relating to utilities; authorizing utilities to make automatic annual rate adjustments for costs of conservation improvements; amending Minnesota Statutes 1992, section 216B.16, subdivision 7.

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

Messrs. Dille, Bertram, Beckman, Berg and Ms. Lesewski introduced—

S.F. No. 425: A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; appropriating money; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Chmielewski, Solon, Ms. Hanson, Messrs. Belanger and Novak introduced—

S.F. No. 426: A bill for an act relating to drivers' licenses; requiring drivers'

licenses and identification cards to be less susceptible to alteration; amending Minnesota Statutes 1992, section 171.07, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Mr. Lessard introduced—

S.F. No. 427: A bill for an act relating to the city of Deer River; establishing an office of the deputy registrar of motor vehicles.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Beckman, Hottinger, Day and Ms. Piper introduced—

S.F. No. 428: A bill for an act relating to agriculture; appropriating funds for the operation of FarmAmerica.

Referred to the Committee on Agriculture and Rural Development.

Mr. Solon introduced—

S.F. No. 429: A bill for an act relating to alcoholic beverages; changing definitions of licensed premises, nonintoxicating malt liquor, restaurant, and wine; authorizing an investigation fee on denied licenses; prohibiting manufacturers from dealing directly with retailers; disqualifying felons from licensing; revising authority for suspensions and civil penalties; making rule violations and false or incomplete statements in license applications misdemeanors; authorizing seizure and disposal of illegally possessed alcoholic beverages; providing instructions to the revisor; amending Minnesota Statutes 1992, sections 340A.101, subdivisions 15, 19, 25, and 29; 340A.301, subdivision 3; 340A.302, subdivision 3; 340A.308; 340A.402; 340A.703; 340A.904, subdivision 1; and 340A.907; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1992, section 340A.903.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Vickerman introduced—

S.F. No. 430: A bill for an act relating to traffic regulations; authorizing rural postal carriers to operate rural mail delivery vehicles equipped with tires having metal studs, with restrictions; requiring permit from commissioner of transportation; providing a penalty; amending Minnesota Statutes 1992, section 169.72, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Mr. Hottinger, Mses. Kiscaden, Wiener and Mr. Metzen introduced—

S.F. No. 431: A bill for an act relating to public administration; providing that government records may be stored on optical disk and retained in that format only; amending Minnesota Statutes 1992, section 15.17, subdivision 1; and 138.17, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Mr. Hottinger, Mrs. Benson, J.E.; Messrs. Finn and Morse introduced—

S.F. No. 432: A bill for an act relating to education; directing a study of the feasibility of implementing a common semester system.

Referred to the Committee on Education.

Mses. Piper, Berglin, Messrs. Marty and Knutson introduced—

S.F. No. 433: A bill for an act relating to human services; aid to families with dependent children; medical assistance; excluding child support payments from countable income; amending Minnesota Statutes 1992, sections 256.74, subdivision 1; and 256B.056, subdivision 1a.

Referred to the Committee on Family Services.

Mr. Vickerman, Ms. Olson and Mr. Chmielewski introduced—

S.F. No. 434: A bill for an act relating to traffic regulations; making technical changes and clarifications; prohibiting buses from following too closely; providing exceptions to restrictions on installing television screens in motor vehicles; providing for auxiliary lights when headlights are obstructed by snowplow blade; requiring use of shoulder belt when motor vehicle is so equipped; providing exception for law enforcement vehicles to restriction on objects hanging between driver and windshield; abolishing authority for designating official stations for adjusting vehicle lights and brakes; amending Minnesota Statutes 1992, sections 169.14, subdivision 10; 169.18, subdivisions 5 and 8; 169.471, subdivision 1; 169.56, subdivisions 3, 4, and by adding a subdivision; 169.60; 169.686, subdivision 1; and 169.71, subdivision 1; repealing Minnesota Statutes 1992, section 169.77.

Referred to the Committee on Transportation and Public Transit.

Mr. Vickerman introduced—

S.F. No. 435: A bill for an act relating to education; specifying fiscal year 1993 as the first year of cooperation for two school districts.

Referred to the Committee on Education.

Messrs. Merriam, Finn and Knutson introduced—

S.F. No. 436: A bill for an act relating to privacy; recognizing a cause of action for public disclosure of private facts; proposing coding for new law in Minnesota Statutes, chapter 604.

Referred to the Committee on Judiciary.

Messrs. Chmielewski, Vickerman, Metzen and Benson, D.D. introduced—

S.F. No. 437: A bill for an act relating to drivers' licenses; increasing fees; increasing amount that may be retained for expenses; amending Minnesota Statutes 1992, section 171.06, subdivisions 2 and 4.

Referred to the Committee on Transportation and Public Transit.

Messrs. Vickerman and Metzen introduced—

S.F. No. 438: A bill for an act relating to watercraft; increasing adminis-

trative fee for titling watercraft; amending Minnesota Statutes 1992, section 86B.870, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Solon; Moe, R.D.; Kroening; Benson, D.D. and Metzen introduced—

S.F. No. 439: A bill for an act relating to economic and social development; establishing a board of invention; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Spear introduced—

S.F. No. 440: A bill for an act relating to real estate; modifying provisions for voluntary foreclosure of mortgages; amending Minnesota Statutes 1992, section 582.32, subdivisions 1, 2, 3, 5, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1992, section 582.32, subdivisions 4, 7, and 8.

Referred to the Committee on Judiciary.

Mr. Spear introduced—

S.F. No. 441: A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181.

Referred to the Committee on Judiciary.

Ms. Berglin introduced—

S.F. No. 442: A bill for an act relating to human services; providing for a community-based mental health system for children and adults.

Referred to the Committee on Health Care.

Ms. Reichgott, Messrs. Luther, Betzold and McGowan introduced—

S.F. No. 443: A bill for an act relating to housing; establishing a human services enterprise zone demonstration project; appropriating money.

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

Mr. Spear, Ms. Pappas, Messrs. Hottinger, Merriam and Janezich introduced—

S.F. No. 444: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1 and 2; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Marty, Ms. Wiener, Mr. Luther, Ms. Piper and Mr. Chandler introduced—

S.F. No. 445: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1 and 2; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1.

Referred to the Committee on Judiciary.

Ms. Flynn, Mr. Mondale, Ms. Krentz; Johnson, J.B. and Mr. Pogemiller introduced—

S.F. No. 446: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1 and 2; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1.

Referred to the Committee on Judiciary.

Mses. Anderson, Berglin, Mr. Betzold, Ms. Ranum and Mr. Cohen introduced—

S.F. No. 447: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1 and 2; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Marty, Sams and Ms. Pappas introduced—

S.F. No. 448: A bill for an act relating to taxation; income; changing rates and income brackets; providing a personal credit in lieu of personal exemptions; increasing the working family credit; amending Minnesota Statutes 1992, sections 290.01, subdivision 19a; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Marty, Mondale and Price introduced—

S.F. No. 449: A bill for an act relating to urban planning; providing procedures to limit urban sprawl; protecting agricultural land; requiring coordination of development plans; permitting civil actions; amending Minnesota Statutes 1992, sections 462.357, subdivision 2; 473.145; 473.175; 473.204, subdivision 1; 473.851; 473.856; 473.859; 473.865, subdivision 2; and 473.866; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Metropolitan and Local Government.

Ms. Runbeck, Messrs. Oliver; Benson, D.D.; Chandler and Samuelson introduced—

S.F. No. 450: A bill for an act relating to human services; establishing a seven-day validity and nine-day replacement period for lost and stolen assistance warrants; authorizing an enhanced recoupment level in AFDC cases involving welfare fraud; integrating a client release as an inclusion in the combined application form; adding the food stamp program to the coverage of the financial transaction card fraud provision; creating and authorizing the use of commissioner's subpoenas; establishing the offense of food stamp trafficking; prescribing penalties; amending Minnesota Statutes 1992, sections 16A.45, by adding a subdivision; 256.73, subdivision 8; 256.983, subdivision 3; 393.07, subdivision 10; and 609.821, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1992, section 256.985.

Referred to the Committee on Family Services.

Messrs. Beckman; Moe, R.D.; Novak and Ms. Olson introduced—

S.F. No. 451: A bill for an act relating to education; establishing an education and employment transitions program, including a youth apprenticeship program; creating the coordinating council for education and employment transitions; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 126B.

Referred to the Committee on Education.

Mr. Betzold introduced—

S.F. No. 452: A bill for an act relating to civil commitment; clarifying time limitations for appeal under the civil commitment act; amending Minnesota Statutes 1992, sections 253B.18, by adding a subdivision; and 253B.23, subdivision 7.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 453: A bill for an act relating to local government; establishing a county option for sales of tax-forfeited lands; requiring reimbursement to county for administrative expenses of special assessments; modifying date for submission of rental statements by housing and redevelopment authority; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; 429.061, by adding a subdivision; and 469.040, subdivision 3.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Marty and Frederickson introduced—

S.F. No. 454: A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.50, subdivisions 3, 4, 11, and by adding a subdivision; 237.51, subdivisions 1, 2, 4, 5, and 6; 237.52; 237.54; and 237.55; Laws 1987, chapter 308, section 8.



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

Ms. Olson, Messrs. Knutson; Johnson, D.E. and Mrs. Benson, J.E. introduced—

S.F. No. 455: A bill for an act relating to education; creating youth apprenticeship programs; proposing coding for new law as Minnesota Statutes, chapter 122A.

Referred to the Committee on Education.

Mr. Benson, D.D. introduced—

S.F. No. 456: A bill for an act relating to workers' compensation; regulating charges for medical treatment and supplies; amending Minnesota Statutes 1992, section 176.136, subdivision 1b.

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

Messrs. Lessard, Janezich and Solon introduced—

S.F. No. 457: A bill for an act relating to counties; permitting counties to fund broadcast facilities; amending Minnesota Statutes 1992, section 375.164; repealing Minnesota Statutes 1992, section 383C.808.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Lessard; Johnson, D.J.; Janezich and Solon introduced—

S.F. No. 458: A bill for an act relating to the environment; solid waste management; extending the time for a proposed resource recovery facility to be established and operating; amending Minnesota Statutes 1992, section 115A.54, subdivision 2a.

Referred to the Committee on Environment and Natural Resources.

Messrs. Janezich; Johnson, D.J. and Solon introduced—

S.F. No. 459: A bill for an act relating to St. Louis county; solid waste management; clarifying St. Louis county contracting authority to include management operations; modifying contracting procedure; amending Minnesota Statutes 1992, section 383C.807, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Mr. Kroening introduced—

S.F. No. 460: A bill for an act relating to housing; modifying the youth employment and housing for the homeless program; expanding eligible projects; appropriating money; amending Minnesota Statutes 1992, sections 268.361, subdivisions 6 and 7; 268.362; 268.363; 268.364, subdivisions 1; 3, and by adding a subdivision; and 268.365, subdivision 2; repealing Minnesota Statutes 1992, section 268.365, subdivision 1.

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

Mr. Benson, D.D.; Mrs. Benson, J.E.; Messrs. Stevens, Knutson and Finn introduced—

S.F. No. 461: A bill for an act relating to human services; authorizing intensive family preservation services and child welfare targeted case management services; amending Minnesota Statutes 1992, sections 256B.0625, by adding a subdivision; 256F.06, subdivision 2; 257.3573, by adding a subdivision; and 626.559, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 256B; and 256F.

Referred to the Committee on Family Services.

Messrs. Finn, Merriam, Ms. Ranum and Mr. McGowan introduced—

S.F. No. 462: A bill for an act relating to data privacy; classifying state auditor's data; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 6.

Referred to the Committee on Judiciary.

Messrs. Finn; Solon; Kroening; Johnson, D.J. and Frederickson introduced—

S.F. No. 463: A bill for an act relating to tourism; establishing certain tourism loan programs; amending Minnesota Statutes 1992, section 116J.617.

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

Messrs. Sams, Lessard, Finn and Morse introduced—

S.F. No. 464: A bill for an act relating to game and fish; color of outer clothing required in firearms deer zones; amending Minnesota Statutes 1992, section 97B.071.

Referred to the Committee on Environment and Natural Resources.

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

S.F. No. 465: A bill for an act relating to crime; revising and simplifying the harassment crimes; expanding the definition of "harassment"; increasing penalties; amending Minnesota Statutes 1992, sections 609.605, subdivision 1; 609.79, subdivision 1; and 609.795, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, sections 609.02, subdivision 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. McGowan introduced—

S.F. No. 466: A bill for an act relating to public safety; regulating privacy of information relating to registered motor vehicles, driver's licenses, and Minnesota identification cards; amending Minnesota Statutes 1992, sections 168.346; and 171.12, subdivision 7.

Referred to the Committee on Judiciary.

**MEMBERS EXCUSED**

Mr. Beckman was excused from the Session of today at 11:20 a.m. Mr. Cohen was excused from the Session of today from 11:00 to 11:45 a.m.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, February 25, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## SEVENTEENTH DAY

St. Paul, Minnesota, Thursday, February 25, 1993

The Senate met at 9:30 a.m. and was called to order by the President.

## CALL OF THE SENATE

Mr. Solon 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. Frank J. Decowski.

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

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

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 committee indicated.

January 27, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## STATE BOARD OF EDUCATION

Thomas Lindquist, 12393 Flag Ave. S., Savage, Scott County, has been appointed by me, effective January 27, 1993, for a term expiring on the first Monday in January, 1997.

Patsy A. Randell, 3510 Basswood Rd., Minneapolis, Hennepin County, has been appointed by me, effective January 27, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

February 22, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

It is my pleasure to enclose herewith the names of all notary commissions in the State of Minnesota issued between January 1, 1992 and December 31, 1992.

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

Warmest regards,  
Arne H. Carlson, Governor

**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. 20, 51, 125 and 139.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 22, 1993

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 20: A resolution memorializing the United States Secretary of Agriculture to establish higher price supports for grain commodities.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 18, now on General Orders.

H.F. No. 51: A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 17a, 17b, and by

adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 168A.152, by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 1, 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 41.

H.F. No. 125: A bill for an act relating to education; permitting independent school district No. 279, Osseo, to adopt an alternating eight-period schedule; exempting the district from certain statutory instructional time requirements through the 1995-1996 school year.

Referred to the Committee on Education.

H.F. No. 139: A bill for an act relating to the town of Santiago; authorizing the establishment of a detached banking facility.

Referred to the Committee on Commerce and Consumer Protection.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 327. The motion prevailed.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 273: A bill for an act relating to highways; changing description of legislative Route No. 279 in state trunk highway system after agreement to transfer part of old route to Dakota county.

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

Page 1, line 12, delete "*in or adjacent to*" and insert "*on Route No. 384 in Minneapolis, thence extending in a general southerly direction across the Minnesota river to a point at 138th Street in Apple Valley.*"

Page 1, delete lines 13 to 15

Page 1, line 22, before "*Dakota*" insert "*the chair of the*" and after "*county*" insert "*board of commissioners*"

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was re-referred

S.F. No. 13: A bill for an act relating to motor vehicles; providing for free motor vehicle license plates for former prisoners of war; amending Minnesota Statutes 1992, sections 168.031; 168.12, subdivision 5; and 168.125, 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.

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

S.F. No. 327: A bill for an act relating to human services; authorizing intensive family preservation services and child welfare targeted case management services; amending Minnesota Statutes 1992, sections 256B.0625, by adding a subdivision; 256F.06, subdivision 2; 257.3573, by adding a subdivision; and 626.559, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 256B; and 256F.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Health Care. Ms. Benson, J.E. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 242: A bill for an act relating to human services; modifying adult foster care license requirements; amending Minnesota Statutes 1992, section 245A.11, subdivision 2a.

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

Page 1, line 12, strike everything after the period

Page 1, line 13, strike "may operate" and delete the new language and strike "with"

Page 1, strike line 14

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

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

S.F. No. 114: A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.03, subdivision 1; 297C.10, subdivisions 1 and 2; 297C.12; 297C.13, subdivision 1; 299A.02; 299A.30, subdivision 1; 299A.31, subdivision 1; 299A.331, subdivision 1; 299A.38, subdivision 1; 299C.01, subdivisions 2 and 4; 299C.06; 299C.13; 299C.50; 299F.01, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; 299A.01; 299C.01, subdivision 1; and 299F.01, subdivisions 1 and 3; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7.

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

Delete everything after the enacting clause and insert:

**“Section 1. [DEPARTMENT OF PUBLIC SAFETY ABOLISHED; RESPONSIBILITIES TRANSFERRED.]**

*Subdivision 1. [DEPARTMENT ABOLISHED, RESPONSIBILITIES TRANSFERRED.] The department of public safety is abolished. The responsibilities held by the department are transferred to a receiving agency as designated in this act. Except as otherwise provided by this act, the responsibilities of the department must be transferred pursuant to Minnesota Statutes, section 15.039. For purposes of this act “responsibilities” includes the powers, duties, rights, obligations, rules, court actions, contracts, records, property of every description, unexpended funds, personnel, and authority imposed by law, of the department of public safety. For the purposes of this act, “receiving agency” has the meaning given to “new agency” in Minnesota Statutes, section 15.039, subdivision 1.*

*Subd. 2. [SPECIFIC POSITIONS ABOLISHED.] (a) The following positions in the department of public safety are not transferred to a receiving agency and are specifically abolished:*

- (1) commissioner;*
- (2) deputy commissioner;*
- (3) assistant commissioners;*
- (4) assistants to the commissioner;*
- (5) office of the commissioner (all positions);*
- (6) affirmative action officer;*
- (7) 15 positions from fiscal and administrative services;*
- (8) public education and media relations (all positions); and*
- (9) liquor control (all positions related to licensing responsibilities).*

*(b) After the day of enactment of this act, the department of public safety shall not fill any position listed in paragraph (a), clause (7), that is vacant or becomes vacant. This paragraph is effective the day following final enactment.*

*(c) In determining the remaining positions listed in paragraph (a), clause (7), that are to be transferred to a receiving agency, the positions abolished under that paragraph must first include the positions vacant on July 1, 1993. Positions abolished under paragraph (a), clause (7), that are occupied by employees must then be determined first by any applicable law, then any applicable collective bargaining agreement, and only then by determination of the receiving agency.*

*Subd. 3. [SPECIFIC RESPONSIBILITIES ABOLISHED, NOT TRANSFERRED.] The responsibilities of the following division and offices of the department are abolished and not transferred to a receiving agency:*

- (1) office of affirmative action; and*
- (2) office of public education and media relations.*



*Subd. 4. [DEPARTMENT OF TRANSPORTATION.] (a) The responsibilities of the following units are transferred to the department of transportation:*

- (1) traffic safety division;*
- (2) driver and vehicle services division;*
- (3) capitol security division; and*
- (4) state patrol division.*

*(b) Ten positions from fiscal and administrative services, 19 positions from the office of information systems management, and eight positions from the office of personnel, training, and employee relations not abolished under subdivision 2, are transferred to the department of transportation. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, the commissioner of transportation shall determine the appropriate personnel to be transferred to each receiving agency.*

*Subd. 5. [OFFICE OF ATTORNEY GENERAL.] (a) The responsibilities of the following units are transferred to the office of the attorney general:*

- (1) office of drug policy;*
- (2) office of violence prevention;*
- (3) bureau of criminal apprehension;*
- (4) gambling enforcement division; and*
- (5) the enforcement responsibilities of the liquor control division.*

*(b) Five positions from fiscal and administrative services, 17 positions from the office of information systems management, and three positions from the office of personnel, training, and employee relations not abolished under subdivision 2, are transferred to the office of the attorney general. Notwithstanding Minnesota Statutes, section 15.039, subdivision 7, the commissioner of transportation and the attorney general shall determine the appropriate personnel to be transferred to each receiving agency.*

*(c) Possession of the department's minicomputer system and equipment are transferred to the office of the attorney general. Computer applications supporting functions not transferred to the office of the attorney general are transferred to the applicable receiving agencies. For programs not transferred to the office of the attorney general, the commissioner of transportation shall make the necessary arrangements for the effective management of the department's information systems. These arrangements may include leasing.*

*(d) The responsibilities related to public safety officer's survivor benefits in Minnesota Statutes, sections 299A.41 to 299A.47 are transferred to the office of attorney general.*

*Subd. 6. [DEPARTMENT OF CORRECTIONS.] The responsibilities of the following units are transferred to the department of corrections:*

- (1) crime victim and witness advisory council;*
- (2) crime victim ombudsman; and*
- (3) crime victims reparations board.*

*Subd. 7. [DEPARTMENT OF ADMINISTRATION.] The responsibilities of the following units are transferred to the department of administration:*

- (1) fire marshal division; and*
- (2) Minnesota advisory council on fire protection systems.*

*Subd. 8. [POLLUTION CONTROL AGENCY.] The responsibilities of the office of pipeline safety are transferred to the pollution control agency.*

*Subd. 9. [DEPARTMENT OF PUBLIC SERVICE.] The responsibilities of the following units are transferred to the department of public service:*

- (1) emergency management division; and*
- (2) emergency response commission.*

*Subd. 10. [DEPARTMENT OF COMMERCE.] The responsibilities related to liquor licensing are transferred to the department of revenue.*

Sec. 2. Minnesota Statutes 1992, section 3.732; subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the armory building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the ~~commissioner~~ *public safety superintendent of the bureau of criminal apprehension* and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. "Employee of the state" includes a public defender appointed by the state board of public defense.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 3. [3.984] [LEGISLATIVE COMMISSION ON LAW ENFORCEMENT OVERSIGHT.]

*Subdivision 1. [CREATION.] A legislative commission on law enforcement oversight is created consisting of six members. The chairs of the house committee on judiciary and the senate committee on crime prevention are members of the commission. In addition, two members of the house of representatives, including a member of the minority caucus, shall be appointed by the speaker and two members of the senate, including a member of the minority caucus, shall be 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. [REVIEW.] The commission shall review the investigative operations of the bureau of criminal apprehension and the gambling enforcement division of the attorney general's office.*

*Subd. 3. [REPORT.] The commission shall report its findings and recommendations to the governor and the legislature by December 15 of each year, beginning in 1994.*

Sec. 4. Minnesota Statutes 1992, section 13.99, subdivision 82, is amended to read:

Subd. 82. [EMERGENCY JOBS PROGRAM.] Data maintained by the commissioner of public safety jobs and training for the emergency jobs program are classified under section 268.673, subdivision 5.

Sec. 5. Minnesota Statutes 1992, section 15.01, is amended to read:

#### 15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; the department of education; the department of jobs and training; the department of trade and economic development; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of human services; the department of revenue; the department of transportation; the department of veterans affairs; and their successor departments.

Sec. 6. Minnesota Statutes 1992, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range

Effective

July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;  
Commissioner of human services;  
Commissioner of revenue;  
~~Commissioner of public safety;~~  
Executive director, state board of investment;  
Director of the state lottery;

## \$50,000-\$67,500

Commissioner of administration;  
Commissioner of agriculture;  
Commissioner of commerce;  
Commissioner of corrections;  
Commissioner of jobs and training;  
Commissioner of employee relations;  
Commissioner of health;  
Commissioner of labor and industry;  
Commissioner of natural resources;  
Commissioner of trade and economic development;  
Chief administrative law judge; office of administrative  
hearings;  
Commissioner, pollution control agency;  
Director, office of waste management;  
Commissioner, housing finance agency;  
Executive director, public employees retirement  
association;  
Executive director, teacher's retirement association;  
Executive director, state retirement system;  
Chair, metropolitan council;  
Chair, regional transit board;

## \$42,500-\$60,000

Commissioner of human rights;  
Commissioner, department of public service;  
Commissioner of veterans affairs;  
Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 7. Minnesota Statutes 1992, section 16B.14, is amended to read:

16B.14 [CERTAIN VEHICLES.]

Upon the written request of the ~~commissioner of public safety~~ *attorney general*, motor vehicles for specific use by investigative and undercover agents of the ~~department of public safety~~ *bureau of criminal apprehension or division of gambling enforcement* must be purchased by the brand make and model. *Upon the written request of the commissioner of transportation, motor vehicles for specific use as specially marked patrol vehicles pursuant to section 169.98 must be purchased by the brand make and model.* All other provisions of this chapter relating to competitive bidding apply to purchases covered by this section.

Sec. 8. Minnesota Statutes 1992, section 16B.54, subdivision 2, is amended to read:

Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPROPRIATION.] The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) [VEHICLES; MARKING.] The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide for the use of motor vehicles without marking by the governor, the lieutenant governor, the ~~division bureau of criminal apprehension; division of liquor control; and division of gambling enforcement of the office of the attorney general~~, arson investigators of the division of fire marshal in the department of ~~public safety~~ *administration*, financial institutions division of the department of commerce; state lottery

board, criminal investigators of the department of revenue, state-owned community service facilities in the department of human services, the investigative staff of the department of jobs and training, and the office of the attorney general.

Sec. 9. Minnesota Statutes 1992, section 43A.05, subdivision 4, is amended to read:

Subd. 4. [TIME OFF IN EMERGENCIES.] The commissioner shall authorize appointing authorities to pay for time off in emergencies. The commissioner, after consultation with the ~~commissioner of public safety~~ *commissioners of transportation and public service*, may excuse employees from duty with full pay in the event of a natural or other emergency, if continued operation would involve a threat to the health or safety of individuals. Absence with pay shall not exceed 16 working hours at any one time unless the commissioner authorizes a longer duration.

Sec. 10. Minnesota Statutes 1992, 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 of the department of transportation and gambling enforcement divisions of the department of public safety division of the office of the attorney general* 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. 11. Minnesota Statutes 1992, section 65B.28, subdivision 2, is amended to read:

Subd. 2. [ACCIDENT PREVENTION COURSE; RULES.] The commissioner of ~~public safety transportation~~ shall, ~~by January 1, 1985~~, adopt rules establishing and regulating a motor vehicle accident prevention course for persons 55 years old and older. The rules must, at a minimum, include provisions:

- (1) establishing curriculum requirements;
- (2) establishing the number of hours required for successful completion of the course;
- (3) providing for the issuance of a course completion certification and requiring its submission to an insured as evidence of completion of the course; and
- (4) requiring persons 55 years old and older to retake the course every three years to remain eligible for a premium reduction.

Sec. 12. Minnesota Statutes 1992, section 161.125, subdivision 3, is amended to read:

Subd. 3. [SOUND ABATEMENT MEASURES.] For the purpose of this section, sound abatement measures include but are not limited to the following:

- (a) traffic management measures, including reduced speed limits or exclusion and rerouting of excessively noisy vehicles;
- (b) design and construction measures, including use of sound absorbing road surface materials, landscaping and planning, acquisition of buffer zones or noise insulation of buildings on abutting property;
- (c) enforcement of the motor vehicle source noise limits of the pollution control agency and of the federal bureau of motor carrier safety; and
- (d) other measures designed for the purpose of reducing motor vehicle source noise or reducing the effects of that noise. ~~The commissioner of public safety shall cooperate with the commissioner of transportation in implementing any may implement~~ sound abatement measures that include law enforcement activities.

Sec. 13. Minnesota Statutes 1992, section 161.20, subdivision 4, is amended to read:

Subd. 4. [DEBT COLLECTION.] The commissioner shall make reasonable and businesslike efforts to collect money owed for licenses, fines, penalties, and permit fees or arising from damages to state-owned property or other causes related to the activities of the department of transportation. The commissioner may contract for debt collection services for the purpose of collecting a money judgment or legal indebtedness. The commissioner may ~~enter into an agreement with the commissioner of public safety to use debt collection services authorized by this subdivision when civil penalties relating to the use of highways have been reduced to money judgment.~~ Money received as full or partial payment shall be deposited to the appropriate fund. When money is collected through contracted services, the commissioner may make payment for the service from the money collected. The amount necessary for payment of contractual collection costs is appropriated from the fund in which money so collected is deposited.

Sec. 14. Minnesota Statutes 1992, section 161.465, is amended to read:

161.465 [REIMBURSEMENT FOR FIRE SERVICES.]

Ordinary expenses incurred by a municipal or volunteer fire department in extinguishing a grass fire within the right-of-way of a trunk highway must be reimbursed upon certification to the commissioner of transportation from the trunk highway fund. In addition, ordinary expenses incurred by a municipal or volunteer fire department in extinguishing a fire outside the right-of-way of any trunk highway if the fire originated within the right-of-way, upon approval of a police officer ~~or an officer, state trooper,~~ or employee of the ~~department of public safety state fire marshal~~ must, upon certification to the commissioner of transportation by the proper official of the municipality or fire department within 60 days after the completion of the service, be reimbursed to the municipality or fire department from funds in the trunk highway fund. The commissioner of transportation shall take action practicable to secure reimbursement to the trunk highway fund of money expended under this section from the person, firm, or corporation responsible for the fire or danger of fire.

The provisions of this section shall not be construed to admit state liability for damage or destruction to private property or for injury to persons resulting from a fire originating within a trunk highway right-of-way.

Sec. 15. Minnesota Statutes 1992, section 168.011, is amended by adding a subdivision to read:

*Subd. 37. [COMMISSIONER.] "Commissioner" means the commissioner of transportation.*

Sec. 16. Minnesota Statutes 1992, section 168.011, is amended by adding a subdivision to read:

*Subd. 38. [DEPARTMENT.] "Department" means the department of transportation.*

Sec. 17. Minnesota Statutes 1992, section 168.126, subdivision 3, is amended to read:

**Subd. 3. [ELIGIBILITY CRITERIA; COMMISSIONER OF PUBLIC SAFETY.]** The commissioner of public safety, in cooperation with the commissioner of transportation, shall establish criteria and procedures governing applications for and issuance of plates permitted by this section. The criteria and procedures may include:

- (1) certification of vehicle use as a commuter van;
- (2) provision for transfer of special license plates; and
- (3) deposit of fees for the registration, sale, and transfer of commuter vans.

The special plate must be designed to specifically identify the vehicle as a commuter van.

Sec. 18. Minnesota Statutes 1992, section 168.325, is amended to read:

**168.325 [DIVISION OF MOTOR VEHICLES DRIVER AND VEHICLE SERVICES.]**

Subdivision 1. [CREATION.] A division in the department of public safety transportation to be known as the division of motor vehicles driver and vehicle services is ~~created hereby~~ established, under the supervision and control of the director. The commissioner of transportation may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a.

Subd. 2. [VEHICLE REGISTRATION RESPONSIBILITIES.] All the functions, powers, and duties now vested in or imposed upon the secretary of state as registrar of motor vehicles as prescribed in Minnesota Statutes 1967, chapter 168, or any other by law, relating to the registration of motor vehicles, the issuance of motor vehicle licenses, the licensing of motor vehicle dealers, and other related matters ~~therein contained~~ not otherwise provided for in this section, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the secretary of state in relation thereto as heretofore constituted are abolished transportation.

Subd. 4. All the powers and duties now vested in or imposed upon the secretary of state in the issuance of chauffeurs' licenses and school bus drivers' licenses as prescribed in Minnesota Statutes 1967, chapter 168, are hereby transferred to, vested in, and imposed upon the commissioner of



public safety. The duties of the secretary of state in connection with the issuance of such licenses are hereby abolished.

Sec. 19. Minnesota Statutes 1992, section 169.751, is amended to read:

169.751 [DEFINITIONS.]

For the purposes of sections 169.751 to 169.754 the following words shall have the meaning ascribed to them in this section:

(a) "First aid equipment" shall mean equipment for the purpose of rendering first aid to sick or injured persons as prescribed by the department of public safety for its state patrol vehicles, such equipment to include materials for the application of splints to fractures.

(b) "Patrol motor vehicles" shall mean the state patrol motor vehicles used in law enforcement of the department of public safety, the county sheriffs, and the various city, town, and other local police departments.

Sec. 20. Minnesota Statutes 1992, section 169.783, subdivision 1, is amended to read:

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 \$4,400. 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 169.781, 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.

Sec. 21. Minnesota Statutes 1992, section 170.23, is amended to read:

170.23 [ABSTRACTS; FEE; ADMISSIBLE IN EVIDENCE.]

The commissioner of transportation shall upon request furnish any person a certified abstract of the operating record of any person subject to the provisions of this chapter, and, if there shall be no record of any conviction of such person of violating any law relating to the operation of a motor vehicle or of any injury or damage caused by such person, the commissioner shall so certify. Such abstracts shall not be admissible as evidence in any action for damages or criminal proceedings arising out of a motor vehicle accident. A fee of \$5 shall be paid for each such abstract. The commissioner shall permit a person to inquire into the operating record of any person by means of the inquiring person's own computer facilities for a fee to be determined by the commissioner of at least \$2 for each inquiry. The commissioner shall furnish an abstract that is not certified for a fee to be determined by the commissioner in an amount less than the fee for a certified abstract but more than the fee for an inquiry by computer. Fees collected under this section must be paid into the state treasury with 90 percent of the money credited to the trunk highway fund and ten percent credited to the general fund.

Sec. 22. Minnesota Statutes 1992, section 170.24, is amended to read:

170.24 [SUSPENSION OF LICENSE FOR NEGLIGENCE TO REPORT ACCIDENT.]

The commissioner of transportation may suspend the license, or any nonresident's operating privilege, of any person who willfully fails, refuses or neglects to make report of a traffic accident as required by the laws of this state.

Sec. 23. Minnesota Statutes 1992, section 171.015, is amended to read:

171.015 [DRIVER'S LICENSE DRIVER AND VEHICLE SERVICES DIVISION.]

Subdivision 1. [CREATED; DIRECTOR.] A division in the department of public safety to be known as the driver's license division is hereby created, under the supervision and control of a director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. The director shall be assigned the duties and responsibilities prescribed in this section.

Subd. 2. [POWERS AND DUTIES TRANSFERRED.] All the powers and duties now vested in or imposed upon the department of transportation and the commissioner of transportation in regard to drivers' licensing, drivers' training, and safety responsibility as prescribed by this chapter and chapters 169 and 170, are hereby transferred to, vested in, and imposed upon the commissioner of public safety transportation, through the department's division of driver and vehicle services. The duties and responsibilities of the department of transportation and the commissioner of transportation, in relation to such matters as heretofore constituted, are hereby abolished.

Subd. 3. [LICENSING CHAUFFEURS AND SCHOOL BUS DRIVERS.] The commissioner of public safety, with the approval of the governor, transportation may transfer and assign to the driver's license driver and vehicle services division duties and responsibilities in relation to chauffeurs' licensing and school bus drivers' licensing as vested in and imposed upon the division of motor vehicles.

Subd. 5. [POWERS AND DUTIES TRANSFERRED.] All the powers and duties now vested in or imposed upon the department of education and the department of transportation relating to drivers' training as prescribed by section 171.04, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the department of education and the department of transportation with reference to such training as heretofore constituted are hereby abolished.

Subd. 6. [FACILITIES FOR LICENSING ACTIVITIES.] The commissioner of transportation shall provide space as required for driver and chauffeur license activities at such locations and under such contractual conditions as may be determined with the commissioner of public safety may determine.

Sec. 24. Minnesota Statutes 1992, section 214.04, subdivision 1, is amended to read:

Subdivision 1. [SERVICES PROVIDED.] The commissioner of administration with respect to the board of electricity, the commissioner of education with respect to the board of teaching, the commissioner of public safety commerce with respect to the board of private detective and protective agent services, and the attorney general with respect to the board of peace officer standards and training, and the commissioner of revenue with respect to the board of assessors, shall provide suitable offices and other space, joint

conference and hearing facilities, examination rooms, and the following administrative support services: purchasing service, accounting service, advisory personnel services, consulting services relating to evaluation procedures and techniques, data processing, duplicating, mailing services, automated printing of license renewals, and such other similar services of a housekeeping nature as are generally available to other agencies of state government. Investigative services shall be provided the boards by employees of the office of attorney general. The commissioner of health with respect to the health-related licensing boards and the chair of the department of commerce with respect to the remaining non-health-related licensing boards shall provide the above facilities and services at a central location for the health-related and remaining non-health-related licensing boards. The legal and investigative services for the boards shall be provided by employees of the attorney general assigned to the departments servicing the boards. Notwithstanding the foregoing, the attorney general shall not be precluded by this section from assigning other attorneys to service a board if necessary in order to insure competent and consistent legal representation. Persons providing legal and investigative services shall to the extent practicable provide the services on a regular basis to the same board or boards.

Sec. 25. Minnesota Statutes 1992, section 216C.19, subdivision 1, is amended to read:

Subdivision 1. [ROADWAY LIGHTING; RULES.] After consultation with the commissioner and the commissioner of public safety, the commissioner of transportation shall adopt rules under chapter 14 establishing minimum energy efficiency standards for street, highway, and parking lot lighting. The standards must be consistent with overall protection of the public health, safety and welfare. No new highway, street or parking lot lighting may be installed in violation of these rules. Existing lighting equipment, excluding roadway sign lighting, with lamps with initial efficiencies less than 70 lumens per watt must be replaced when worn out with light sources using lamps with initial efficiencies of at least 70 lumens per watt.

Sec. 26. Minnesota Statutes 1992, section 218.031, subdivision 2, is amended to read:

Subd. 2. [INFORMATION FURNISHED COMMISSIONER.] Every common carrier shall furnish to the commissioner:

(1) All schedules of rates, fares and charges, every part and classification thereof, together with minimum weights and rules with respect thereto, and any and all amendments, modifications or changes therein.

(2) All information duly required in blanks and forms furnished by the commissioner.

(3) A copy of all annual reports and valuation data furnished to the Interstate Commerce Commission not later than June 30th, covering the preceding calendar year, together with any additional information regarding valuation of its properties requested by the commissioner.

(4) A report of accidents, wrecks and casualties occurring in this state in such manner and form and at such times as prescribed by the commissioner. When received, all such reports administered by the department of public safety shall be received and administered in accordance with the provisions of section 169.09, subdivision 13. All other reports shall be open to public

inspection but shall not be admissible in evidence in any suit or action for damages growing out of such accident, wreck or casualty.

(5) All tariff agreements or arrangements with other carriers.

(6) All joint schedules of rates, fares or classifications.

Sec. 27. Minnesota Statutes 1992, 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~~ attorney general 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, 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~~ attorney general, 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~~ attorney general within two business days that the delinquency was cured.

Sec. 28. Minnesota Statutes 1992, section 297B.01, subdivision 3, is amended to read:

Subd. 3. [MOTOR VEHICLE REGISTRAR.] "Motor vehicle registrar" shall mean the registrar of motor vehicles who is the officer in charge of the ~~motor driver and vehicle services~~ division, department of public safety transportation, of this state and who shall act as the agent of the commissioner of revenue in administering the provisions of this chapter.

Sec. 29. Minnesota Statutes 1992, section 297C.03, subdivision 1, is amended to read:

Subdivision 1. [MANNER AND TIME OF PAYMENT; FAILURE TO PAY.] The tax on wines and distilled spirits on which the excise tax has not been previously paid must be paid to the commissioner by persons liable for the tax on or before the 18th day of the month following the month in which the first sale is made in this state by a licensed manufacturer or wholesaler. Every person liable for the tax on wines or distilled spirits imposed by section 297C.02 must file with the commissioner on or before the 18th day of the month following first sale in this state by a licensed manufacturer or wholesaler a return in the form prescribed by the commissioner, and must keep records and render reports required by the commissioner. The commissioner may certify to the ~~commissioner of public safety~~ attorney general any failure to pay taxes when due as a violation of a statute relating to the sale of intoxicating liquor for possible revocation or suspension of license.

A person liable for an excise tax of \$240,000 or more during a fiscal year ending June 30 must remit all excise tax liabilities in the subsequent calendar

year by means of a funds transfer as defined in section 336.4A-104, paragraph (a). The funds transfer payment date, as defined in section 336.4A-401, must be on or before the date the excise tax is due. If the date the excise tax is due is not a funds transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date must be on or before the funds transfer business day next following the date the excise tax is due.

Sec. 30. Minnesota Statutes 1992, section 297C.10, subdivision 1, is amended to read:

Subdivision 1. [ENFORCEMENT RESPONSIBILITY.] ~~The commissioners of public safety and revenue~~ *commissioner of revenue and the attorney general shall enforce and administer the provisions of this chapter.*

Sec. 31. Minnesota Statutes 1992, section 297C.10, subdivision 2, is amended to read:

Subd. 2. [INSPECTION.] ~~The commissioner of public safety~~ *attorney general* or the commissioner of revenue, or their duly authorized employees, may, at all reasonable hours, enter in and upon a licensed premises, and examine the books, papers, and records of a brewer, manufacturer, wholesaler, or retailer for the purpose of determining whether the excise tax has been paid, and may inspect any premises where fermented malt beverages are manufactured, sold, offered for sale, possessed, or stored for the purpose of determining whether the provisions of this chapter are being complied with.

Sec. 32. Minnesota Statutes 1992, section 297C.12, is amended to read:

297C.12 [UNTAXED LIQUOR; SEIZURE.]

Subdivision 1. [POSSESSION.] No person may without authority possess distilled spirits and wine on which no tax has been paid to a state or to a foreign government. No person may without authority possess, with intent to resell, malt liquor on which no tax has been paid to a state or to a foreign government. ~~The attorney general or the commissioner of public safety or the commissioner of revenue,~~ or their designated employees, may seize in the name of the state untaxed liquor possessed, held, sold, or transported in violation of this subdivision, and any apparatus, material, vehicle, or conveyance used in the manufacture, possession, sale, storage, or transportation of illegal untaxed liquor.

Subd. 2. [SEIZURE OF CONVEYANCES.] ~~The commissioner of public safety~~ *attorney general* and employees designated by the ~~commissioner~~ *attorney general* may seize all vehicles and conveyances used in the manufacture, sale, possession, storage, or transportation of liquor in violation of this chapter, and hold them subject to the order of the district court of the county in which they are seized. The forfeiture of a vehicle or conveyance seized is complete on compliance with the following procedure:

The ~~commissioner of public safety~~ *attorney general* and inspectors and employees designated by the ~~commissioner~~ *attorney general* shall file with the court a separate complaint against the vehicle or conveyance, describing it and charging its use in the specified violation, and specifying substantially the time and place of the unlawful use. A copy of the complaint must be served on the defendant or person in charge of the vehicle or conveyance at the time of seizure, if any. The court shall issue an order directed to any person known or believed to have a right, title or interest in, or lien on the vehicle or conveyance, and to persons unknown claiming a right, title, interest, or lien:

(1) describing the vehicle or conveyance and stating that it was seized and that a complaint against it, charging the specified violation, has been filed with the court;

(2) requiring such persons to file with the court administrator of the court their answer to the complaint, setting forth any claim they may have to a right or title to, interest in, or lien on the vehicle or conveyance, within ten days after the service of the order;

(3) notifying them in substance that if they fail to file their answer within that time the vehicle or conveyance will be ordered sold by the ~~commissioner~~ *attorney general*.

The court shall cause the order to be served on:

(1) the registered owner;

(2) any person who has duly filed a conditional sales contract, mortgage, or other lien instrument covering the property unless it has been released or satisfied;

(3) any other person known or believed to have a right, title, interest in, or lien upon, the vehicle or conveyance as in the case of a summons in a civil action; and

(4) on 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, on affidavit by the court administrator of the court, setting forth such fact, order the vehicle or conveyance sold by the commissioner or the commissioner's agents, and the proceeds of the sale, after deducting the expense of keeping the vehicle or conveyance and fees and costs of sale, paid into the state treasury. If an answer is filed within the time provided, the court shall fix a time for hearing, which shall be not less than ten nor more than 30 days after the time for filing the answer expires. At the hearing the matter must be heard and determined by the court, without a jury, as in other civil actions. If the court finds that the vehicle or conveyance, or any part thereof, was used in a violation as specified in the complaint, it shall order the vehicle or conveyance sold, as provided in this section, unless the owner shows to the satisfaction of the court that the vehicle was being used without the owner's consent or that at the time of giving the consent the owner had no notice or knowledge or reason to believe that the vehicle or conveyance was intended to be used in a violation.

After deducting the expense of keeping the vehicle or conveyance, the fee for seizure, and the costs of the sale, the officer making the sale shall pay, according to their priority, all liens established at the hearing as being bona fide and existing without the lienor having any notice or knowledge at the time the lien was created that the vehicle or conveyance was being used or was intended to be used in connection with any violation as specified in the order of the court, and shall pay the balance of the proceeds into the state treasury. A sale under the provisions of this section frees the vehicle or conveyance sold from all liens, and appeal from order of the district court lies to the supreme court as in other civil actions. At any time after seizure and before the hearing the vehicle or conveyance must be returned to the owner or person having a legal right to its possession on execution by that person of a valid bond to the state of Minnesota, with corporate surety, in the sum of not less than \$100 and

not more than double the value of the vehicle or conveyance seized, to be approved by the court in which the case is triable, or a judge thereof, conditioned on obeying any order and the judgment of the court, and to pay the full value of the vehicle or conveyance at the time of seizure.

Sec. 33. Minnesota Statutes 1992, section 297C.13, subdivision 1, is amended to read:

Subdivision 1. [FELONIES.] It is a felony for a holder of an alcoholic beverage license to:

(1) evade or attempt to evade the excise tax on intoxicating liquor and 3.2 percent malt liquor;

(2) fraudulently neglect or fail to keep complete accounts in book or books of account, or to make true and exact entries in them as required by the rules of the commissioner of public safety attorney general and the commissioner of revenue, or by law;

(3) conspire to violate a provision of this chapter;

(4) fail to do or cause to be done anything required by law;

(5) refill or cause to be refilled a bottle or other container of intoxicating liquor in order to evade tax; or

(6) sell intoxicating liquor or 3.2 percent malt liquor on which the excise tax has not been paid and thereby evade the tax.

Sec. 34. Minnesota Statutes 1992, section 299A.02, is amended to read:

299A.02 [COMMISSIONERS OF PUBLIC SAFETY ATTORNEY GENERAL AND COMMISSIONER OF REVENUE; LIQUOR CONTROL FUNCTIONS.]

Subdivision 1. [DIRECTOR OF DIVISION OF LIQUOR CONTROL CONFLICT OF INTEREST.] No employee of the department of public safety attorney general or the department of revenue having any responsibility for the administration or enforcement of Laws 1985, chapter 305, articles 2 to 4 ~~to 4~~ this section and chapters 297C and 340A shall have a direct or indirect interest, except through ownership or investment in pension or mutual funds, in the manufacture, transportation or sale of intoxicating liquor or any malt or vinous beverages, intoxicating, nonintoxicating, or commercial or industrial alcohol. The commissioner of public safety attorney general or the commissioner of revenue may remove an employee in the unclassified civil service for any intentional violation of any provision in Laws 1985, chapter 305, articles 2 to 4 ~~to 4~~ this section and chapters 297C and 340A. Intentional violation of the preceding sections by a classified employee of one of the attorney general or the departments department of revenue may be grounds for removal of that employee pursuant to section 43A.33.

Subd. 2. [GENERAL POWERS.] The commissioner attorney general shall administer and enforce the provisions of Laws 1985, chapter 305, articles 2 to 4 ~~to 4~~ this section and chapters 297C and 340A except for those provisions thereof for which administration and enforcement are reserved to the commissioner of revenue.

Subd. 3. [REPORTS; RULES.] The commissioner attorney general shall have power to require periodic factual reports from all licensed importers,

manufacturers, wholesalers and retailers of intoxicating liquors and to make all reasonable rules to effect the object of ~~Laws 1985, chapter 305, articles 2 to 11~~ *this section and chapters 297C and 340A*. The rules shall include provisions for assuring the purity of intoxicating liquors and the true statement of its contents and proper labeling thereof with regard to all forms of sale. No rule may require the use of new containers in aging whiskey. No rule may require cordials or liqueurs to contain in excess of 2-1/2 percent by weight of sugar or dextrose or both.

Subd. 4. [SUBPOENAS.] In all matters relating to official duties, the ~~commissioner~~ *attorney general* shall have the powers possessed by courts of law to issue subpoenas and cause them to be served and enforced. All public officials, and their respective deputies and employees, and all individuals, partnerships, firms, corporations, incorporated and unincorporated associations, and others who manufacture, transport, or sell intoxicating liquor, or are connected therewith in any manner, shall at all times attend and answer under oath the commissioner's lawful inquiries, produce and exhibit such books, accounts, documents and property as the commissioner may desire to inspect, and in all things aid the commissioner in the performance of the commissioner's duties.

Sec. 35. Minnesota Statutes 1992, section 299A.30, subdivision 1, is amended to read:

Subdivision 1. [OFFICE; ASSISTANT COMMISSIONER DIRECTOR.] The office of drug policy and violence prevention is ~~an office established in the department of public safety~~ *office of the attorney general* headed by an ~~assistant commissioner~~ *a director* appointed by the ~~commissioner~~ *attorney general* to serve in the unclassified service. The ~~assistant commissioner~~ *director* may appoint other employees. The ~~assistant commissioner~~ *director* shall coordinate the violence prevention activities and the prevention and supply reduction activities of state and local agencies and provide one professional staff member to assist on a full-time basis the work of the chemical abuse prevention resource council.

Sec. 36. Minnesota Statutes 1992, section 299A.31, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; MEMBERSHIP.] A chemical abuse prevention resource council consisting of 19 members is established. The commissioners of ~~public safety~~, education, health, corrections, and human services, the director of the office of strategic and long-range planning, and the attorney general shall each appoint one member from among their employees. The speaker of the house of representatives and the subcommittee on committees of the senate shall each appoint a legislative member. The governor shall appoint an additional ten members who shall represent the demographic and geographic composition of the state and, to the extent possible, shall represent the following: public health; education including preschool, elementary, and higher education; social services; financial aid services; chemical dependency treatment; law enforcement; prosecution; defense; the judiciary; corrections; treatment research professionals; drug abuse prevention professionals; the business sector; religious leaders; representatives of racial and ethnic minority communities; and other community representatives. The members shall designate one of the governor's appointees as chair of the council. Compensation and removal of members are governed by section 15.059.



Sec. 37. Minnesota Statutes 1992, section 299A.331, subdivision 1, is amended to read:

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) (2) the commissioner of education;
- (4) (3) three representatives of law enforcement appointed by the commissioner of public safety governor;
- (5) (4) three representatives of education appointed by the commissioner of education;
- (6) (5) a representative of the DARE officers association appointed by the peace officer standards and training board from among recommendations of the association; and
- (7) (6) seven citizens appointed by the attorney general.

Sec. 38. Minnesota Statutes 1992, section 299A.38, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

- (a) "Commissioner" means the commissioner of public safety.
- (b) (a) "Peace officer" means a person who is licensed under section 626.84, subdivision 1, paragraph (c).
- (c) (b) "Vest" means bullet-resistant soft body armor that is flexible, concealable, and custom fitted to the peace officer to provide ballistic and trauma protection.
- (c) "Superintendent" means the superintendent of the bureau of criminal apprehension.

Sec. 39. Minnesota Statutes 1992, section 299A.38, subdivision 2, is amended to read:

Subd. 2. [STATE AND LOCAL REIMBURSEMENT.] Peace officers and heads of local law enforcement agencies who buy vests for the use of peace officer employees may apply to the commissioner attorney general for reimbursement of funds spent to buy vests. On approving an application for reimbursement, the commissioner attorney general shall pay the applicant an amount equal to the lesser of one-third of the vest's purchase price or \$165. The political subdivision that employs the peace officer shall pay at least the lesser of one-third of the vest's purchase price or \$165. The political subdivision may not deduct or pay its share of the vest's cost from any clothing, maintenance, or similar allowance otherwise provided to the peace officer by the law enforcement agency.

Sec. 40. Minnesota Statutes 1992, section 299A.38, subdivision 4, is amended to read:

Subd. 4. [RULES.] The commissioner attorney general may adopt rules under chapter 14 to administer this section.

Sec. 41. Minnesota Statutes 1992, section 299C.01, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHED; SUPERINTENDENT.] A ~~division in the department of public safety to be known as~~ The bureau of criminal apprehension is ~~hereby created~~ *established in the office of the attorney general*, under the supervision and control of the superintendent of criminal apprehension, who shall be appointed by the ~~commissioner~~ *attorney general* and serve at the ~~commissioner's attorney general's~~ pleasure in the unclassified service of the state civil service, to whom shall be assigned the duties and responsibilities described in this section.

Sec. 42. Minnesota Statutes 1992, section 299C.01, subdivision 4, is amended to read:

Subd. 4. [CRIME INFORMATION SYSTEMS.] The ~~division of the~~ bureau of criminal apprehension shall perform such functions and duties as relate to statewide and nationwide crime information systems as the ~~commissioner~~ *attorney general* may direct.

Sec. 43. Minnesota Statutes 1992, section 299C.06, is amended to read:

299C.06 [DIVISION POWERS AND DUTIES; LOCAL OFFICERS TO COOPERATE.]

It shall be the duty of all sheriffs, chiefs of police, city marshals, constables, prison wardens, superintendents of insane hospitals, reformatories and correctional schools, probation and parole officers, school attendance officers, coroners, county attorneys, court clerks, the ~~commissioner of public safety~~, the commissioner of transportation, and the state fire marshal to furnish to the division statistics and information regarding the number of crimes reported and discovered, arrests made, complaints, informations, and indictments, filed and the disposition made of same, pleas, convictions, acquittals, probations granted or denied, receipts, transfers, and discharges to and from prisons, reformatories, correctional schools, and other institutions, paroles granted and revoked, commutation of sentences and pardons granted and rescinded, and all other data useful in determining the cause and amount of crime in this state and to form a basis for the study of crime, police methods, court procedure, and penal problems. Such statistics and information shall be furnished upon the request of the division and upon such forms as may be prescribed and furnished by it. The division shall have the power to inspect and prescribe the form and substance of the records kept by those officials from which the information is so furnished.

Sec. 44. Minnesota Statutes 1992, section 299C.13, is amended to read:

299C.13 [INFORMATION FURNISHED TO PEACE OFFICERS.]

Upon receipt of information data as to any arrested person, the bureau shall immediately ascertain whether the person arrested has a criminal record or is a fugitive from justice, and shall at once inform the arresting officer of the facts ascertained. Upon application by any sheriff, chief of police, or other peace officer in the state, or by an officer of the United States or by an officer of another state, territory, or government duly authorized to receive the same and effecting reciprocal interchange of similar information with the ~~division~~ *bureau*, it shall be the duty of the bureau to furnish all information in its possession pertaining to the identification of any person. If the bureau has a sealed record on the arrested person, it shall notify the requesting peace

officer of that fact and of the right to seek a court order to open the record for purposes of law enforcement.

Sec. 45. Minnesota Statutes 1992, section 299C.50, is amended to read:

299C.50 [TRANSFER OF FUNCTIONS.]

The commissioner of public safety *superintendent of the bureau of criminal apprehension* shall perform all duties in respect to the state's criminal justice information system which were transferred from the commissioner of finance and the governor's commission on crime prevention and control by executive order of the governor; provided, that a transfer shall not occur if the state is informed by a federal agency that the transfer will result in the loss of federal moneys to which the state would otherwise be entitled pursuant to the Omnibus Crime Control and Safe Streets Act of 1968, Public Law Number 90-351, as amended by the Juvenile Justice and Delinquency Prevention Act of 1974, Public Law Number 93-415, and the Crime Control Act of 1976, Public Law Number 94-503.

Sec. 46. Minnesota Statutes 1992, section 299F.01, subdivision 2, is amended to read:

Subd. 2. [DIVISION CREATED; STATE FIRE MARSHAL.] A division in the department of public safety to be known as The division of fire marshal is hereby created established in the department of administration, under the supervision and control of the state fire marshal, to whom shall be assigned the duties and responsibilities described in this section. The commissioner of administration may place the fire marshal's position in the unclassified service if the position meets the criteria of section 43A.08, subdivision 1a.

Sec. 47. Minnesota Statutes 1992, section 299L.01, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For the purposes of this chapter, the terms defined in this subdivision have the meanings given them.

- (b) "Division" means the division of gambling enforcement.
- (c) "Commissioner" means the commissioner of public safety.
- (d) "Director" means the director of gambling enforcement.
- (e) (d) "Manufacturer" means a person who assembles from raw materials or subparts a gambling device for sale or use in Minnesota.
- (f) (e) "Distributor" means a person who sells, offers to sell, or otherwise provides a gambling device to a person in Minnesota.

Sec. 48. Minnesota Statutes 1992, section 340A.201, is amended to read:

340A.201 [LIQUOR CONTROL AUTHORITY.]

The commissioner of public safety *commerce* is the successor to the commissioner of liquor control *public safety* with respect to the powers and duties related to liquor regulation vested in the latter as of February 6, 1976 July 1, 1993, except for those powers and duties transferred to the commissioner of revenue as amended by this act. Any proceeding, court action, prosecution, or other business undertaken or commenced as of February 6, 1976 July 1, 1993, by the commissioner of liquor control *public safety* is assigned to and may be completed by the commissioners of public safety and

revenue commissioner of commerce as appropriate and may be completed by them.

Sec. 49. Minnesota Statutes 1992, section 347.51, subdivision 2a, is amended to read:

Subd. 2a. [WARNING SYMBOL.] If a county issues a certificate of registration to the owner of a dangerous dog pursuant to subdivision 2, the county must provide, for posting on the owner's property, a copy of a warning symbol to inform children that there is a dangerous dog on the property. The design of the warning symbol must be uniform and specified by the commissioner of public safety health, after consultation with animal control professionals. The design specification process is exempt from rulemaking under chapter 14 and is exempt from section 14.38. The commissioner shall provide the number of copies of the warning symbol requested by each county and shall charge the county the actual cost of the warning symbols received. The county may charge the registrant a reasonable fee to cover its administrative costs and the cost of the warning symbol.

Sec. 50. Minnesota Statutes 1992, section 349.151, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) ~~Until July 1, the board consists of six members appointed by the governor with the advice and consent of the senate and the commissioner of gaming as a voting member.~~

(b) ~~On and after July 1, 1991, the board consists of seven members, as follows: (1) those members appointed by the governor before July 1, 1991, whose terms expire June 30, 1992, June 30, 1993, and June 30, 1994; (2) one member appointed by the governor for a term expiring June 30, 1994; and (3) one member appointed by the commissioner of public safety for a term expiring June 30, 1995; and (4) one member~~ two members appointed by the attorney general for a term terms expiring June 30, 1995.

(c) ~~(b)~~ All appointments under this subdivision are with the advice and consent of the senate.

(d) ~~(c)~~ After expiration of the initial terms, appointments are for four years.

(e) ~~(d)~~ The board shall select one of its members to serve as chair. No more than three members appointed by the governor under this subdivision may belong to the same political party.

Sec. 51. Minnesota Statutes 1992, section 352B.01, subdivision 2, is amended to read:

Subd. 2. [MEMBER.] "Member" means:

(a) 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) a conservation officer employed under section 97A.201, currently employed by the state, whose salary or compensation is paid out of state funds;

(c) 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;

(d) a person who is employed by the state in the department of public safety or a successor state agency in a data processing management position with salary or compensation paid from state funds, who was a crime bureau officer covered by the state patrol retirement plan on August 15, 1987, and who was initially hired in the data processing management position within the department during September 1987, or January 1988, with membership continuing for the duration of the person's employment in that position, whether or not the person has the power of arrest by warrant after August 15, 1987; and

(e) ~~public safety~~ employees of the office of the attorney general 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. 52. Minnesota Statutes 1992, section 360.0752, subdivision 7, is amended to read:

Subd. 7. [PRELIMINARY SCREENING TEST.] When a peace officer has reason to believe that a person may be violating or has violated subdivision 2, the officer may require the person to provide a sample of the person's breath for a preliminary screening test using a device approved by the commissioner of ~~public safety or the commissioner~~ of transportation for this purpose. The results of this preliminary screening test shall be used for the purpose of deciding whether to require the tests authorized in section 360.0753, but shall not be used in any court action except to prove that a test was properly required of a person pursuant to section 360.0753. Following the screening test, additional tests may be required of the person pursuant to the provisions of section 360.0753.

A person who refuses to furnish a sample of the person's breath is subject to the provisions of section 360.0753 unless, in compliance with section 360.0753, the person submits to a blood, breath, or urine test to determine the presence of alcohol or a controlled substance.

Sec. 53. Minnesota Statutes 1992, section 360.0753, subdivision 6, is amended to read:

Subd. 6. [MANNER OF MAKING TEST; ADDITIONAL TESTS.] Only a physician, medical technician, physician's trained mobile intensive care paramedic, registered nurse, medical technologist, or laboratory assistant acting at the request of a peace officer may withdraw blood for the purpose of determining the presence of alcohol or controlled substance. This limitation does not apply to the taking of a breath or urine sample. The person tested has the right to have someone of the person's own choosing administer a chemical test or tests in addition to any administered at the direction of a peace officer; provided, that the additional test sample on behalf of the person is obtained at the place where the person is in custody, after the test administered at the direction of a peace officer, and at no expense to the state. The failure or inability to obtain an additional test or tests by a person shall not preclude the admission in evidence of the test taken at the direction of a peace officer unless the additional test was prevented or denied by the peace officer. The physician, medical technician, physician's trained mobile intensive care paramedic, medical technologist, laboratory assistant, or registered nurse drawing blood at the request of a peace officer for the purpose of determining

alcohol concentration shall in no manner be liable in any civil or criminal action except for negligence in drawing the blood. The person administering a breath test shall be fully trained in the administration of breath tests pursuant to training given by the commissioner of public safety or the commissioner of transportation.

Sec. 54. Minnesota Statutes 1992, section 611A.20, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF NOTICE.] The commissioners of public safety and commissioner of corrections, in consultation with sexual assault victim advocates and health care professionals, shall develop the notice required by subdivision 1. The notice must inform the victim of:

- (1) the risk of contracting sexually transmitted diseases as a result of a sexual assault;
- (2) the symptoms of sexually transmitted diseases;
- (3) recommendations for periodic testing for the diseases, where appropriate;
- (4) locations where confidential testing is done and the extent of the confidentiality provided;
- (5) information necessary to make an informed decision whether to request a test of the offender under section 611A.19; and
- (6) other medically relevant information.

Sec. 55. Minnesota Statutes 1992, section 624.7151, is amended to read:

624.7151 [STANDARDIZED FORMS.]

By December 1, 1992, the commissioner of public safety *The superintendent of the bureau of criminal apprehension* shall adopt statewide standards governing the form and contents, as required by sections 624.7131 to 624.714, of every application for a pistol transferee permit, pistol transferee permit, report of transfer of a pistol, application for a permit to carry a pistol, and permit to carry a pistol that is granted or renewed on or after January 1, 1993. The adoption of these standards is not subject to the rulemaking provisions of chapter 14.

Every application for a pistol transferee permit, pistol transferee permit, report of transfer of a pistol, application for a permit to carry a pistol, and permit to carry a pistol that is received, granted, or renewed by a police chief or county sheriff on or after January 1, 1993, must meet the statewide standards adopted by the commissioner of public safety *superintendent*. Notwithstanding the previous sentence, neither failure of the department of public safety to adopt standards nor failure of the police chief or county sheriff to meet them shall delay the timely processing of applications nor invalidate permits issued on other forms meeting the requirements of sections 624.7131 to 624.714.

Sec. 56. Minnesota Statutes 1992, section 626.5531, subdivision 2, is amended to read:

Subd. 2. [USE OF INFORMATION COLLECTED.] The head of a local law enforcement agency or state law enforcement department that employs peace officers licensed under section 626.843 must file a monthly report

describing crimes reported under this section with the ~~department of public safety, bureau of criminal apprehension. The commissioner of public safety superintendent of the bureau of criminal apprehension~~ must summarize and analyze the information received and file an annual report with the department of human rights and the legislature. The ~~commissioner superintendent~~ may include information in the annual report concerning any additional criminal activity motivated by bias that is not covered by this section.

Sec. 57. Minnesota Statutes 1992, section 626.562, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF TELEPHONE LINE.] The commissioner of ~~public safety~~ *human services* shall contract for at least one statewide toll-free 24-hour telephone line for the purpose of providing consultative and training services for physicians, therapists, child protection workers, and other professionals involved in child protection. Services provided must include emergency and longer term consultation on individual child protection cases.

Sec. 58. Minnesota Statutes 1992, section 634.16, is amended to read:

634.16 [ADMISSION INTO EVIDENCE OF RESULTS OF INFRARED BREATH-TESTS.]

In any civil or criminal hearing or trial, the results of an infrared breath-test, when performed by a person who has been fully trained in the use of an infrared breath-testing instrument, as defined in section 169.01, subdivision 68, pursuant to training given or approved by the ~~commissioner of public safety superintendent of the bureau of criminal apprehension or the commissioner's superintendent's~~ acting agent, are admissible in evidence without antecedent expert testimony that an infrared breath-testing instrument provides a trustworthy and reliable measure of the alcohol in the breath.

Sec. 59. [WORKER PARTICIPATION.]

*Subdivision 1. [RESTRUCTURING PROVISIONS.] The restructuring of agencies required by this act shall be conducted under Minnesota Statutes, section 43A.05.*

*Subd. 2. [WORKER PARTICIPATION COMMITTEES.] (a) Before the restructuring of executive branch agencies under this act, a committee including representatives of employees and employers within each affected agency must be established and be given adequate time to perform the functions prescribed by paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.*

*(b) A committee established under paragraph (a) shall:*

*(1) identify tasks related to agency reorganization and adopt plans for addressing those tasks;*

*(2) identify other employer and employee issues related to reorganization and adopt plans for addressing those issues;*

(3) adopt plans for implementing this act, including detailed plans for providing retraining for affected employees; and

(4) guide the implementation of the reorganization.

Sec. 60. [REPEALER.]

Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; 299A.01; 299C.01, subdivision 1; and 299F.01, subdivisions 1 and 3, are repealed.

Laws 1987, chapter 315, section 4, subdivision 2, is repealed. Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7, are repealed.

Sec. 61. [INSTRUCTION TO REVISOR.]

Subdivision 1. [DEPARTMENT OF CORRECTIONS.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "commissioner of corrections" (or "commissioner" when referring to commissioner of corrections), "department of corrections" (or "department" when referring to the department of corrections), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 611A.55; 611A.56; 611A.71; 611A.74; 611A.75; and 611A.76.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 2. [DEPARTMENT OF ADMINISTRATION.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "commissioner of administration" (or "commissioner" when referring to commissioner of administration), "department of administration" (or "department" when referring to the department of administration), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 144.653; 144A.10; 144B.10; 299F.011; 299F.05; 299F.19; 299F.362; 299F.46; 299F.73; 299F.75; 299F.78; 299M.01 to 299M.12; 325F.04; and 471.471.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 3. [BUREAU OF CRIMINAL APPREHENSION.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "superintendent of the bureau of criminal apprehension" (or "superintendent" when referring to the superintendent of the bureau of criminal apprehension), "bureau of criminal apprehension" (or "bureau" when referring to the bureau of criminal apprehension), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 123.75; 123.751; 169.123, subdivision 3; 176.192;



242.31; 243.166; 270.062; 299A.28; 299A.33; 299A.38; 299C.46; 299C.48; 299C.52; 299C.53; 299C.54; 299C.55; 477A.0121; 604.09; 624.7131; 624.714; 624.7161; 626.553; 626.5532; and 634.15.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 4. [OFFICE OF ATTORNEY GENERAL.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "attorney general" or "office of the attorney general," or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 10A.01; 16B.46; 214.04; 297C.09; 299A.30, subdivision 2; 299A.34; 299A.41 to 299A.47, as renumbered by this subdivision; 299C.03; 299C.065; 299C.23; 299C.49; 299L.01, subdivision 2; 299L.03; 299L.07; 326.33; 349.162; 349.163; 349.19; 611A.02; 611A.0311; and 611A.07.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

(c) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall renumber each section of Minnesota Statutes specified in column A with the number set forth in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

Column A	Column B
299A.41	8.35
299A.42	8.36
299A.43	8.37
299A.44	8.38
299A.45	8.39
299A.46	8.40
299A.47	8.41

Subd. 5. [DEPARTMENT OF COMMERCE.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "commissioner of commerce" (or "commissioner" when referring to the commissioner of commerce), "department of commerce" (or "department" when referring to the department of commerce), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 85.34; 340A.101; 340A.301 to 340A.909; 383C.28; and 383C.29.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 6. [DEPARTMENT OF PUBLIC SERVICE.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "depart-

ment" when referring to the department of public safety), or similar terms to "commissioner of public service" (or "commissioner" when referring to commissioner of public service), "department of public service" (or "department" when referring to the department of public service), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 12.01 to 12.46; 115E.01 to 115E.09; 136C.70; 216D.01; 221.034; 299A.49 to 299A.52; 299F.092 to 299F.098; and 299K.02 to 299K.07.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 7. [POLLUTION CONTROL AGENCY.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "commissioner of pollution control agency" (or "commissioner" when referring to commissioner of pollution control agency), "department of pollution control agency" (or "department" when referring to the department of pollution control agency), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 299F.56; and 299J.01 to 299J.18.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Subd. 8. [DEPARTMENT OF TRANSPORTATION.] (a) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the terms "commissioner of public safety" (or "commissioner" when referring to the commissioner of public safety), "department of public safety" (or "department" when referring to the department of public safety), or similar terms to "commissioner of transportation" (or "commissioner" when referring to commissioner of transportation), "department of transportation" (or "department" when referring to the department of transportation), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 13.69; 13.99, subdivisions 54 to 57; 14.50 (editorial note); 16B.48; 48.512; 65B.02; 65B.13; 84.82; 84.86; 84.87; 84.872; 84.88; 84.91; 84.922; 84.924; 84.925; 84.9256; 84.928; 86B.005; 86B.331; 86B.335; 86B.401; 86B.415; 86B.820; 97B.065; 116.60; 116C.731; 126.112; 126.115; 126.15; 145.927; 152.18; 161.041; 161.242; 168.012 to 168.125; 168.126, subdivisions 1 and 2; 168.127 to 168.321; 168.33 to 168.846; 168C.01 to 168C.13; 169.01 to 169.122; 169.123, subdivisions 4, 5, 5a, 5b, 5c, 6, and 8; 169.125 to 169.75; 169.752 to 169.782; 169.79 to 169.99; 170.55; 171.01; 171.02 to 171.56; 201.022; 201.161; 221.031; 221.034; 260.151; 260.161; 260.185; 260.191; 260.193; 260.195; 296.026; 296.17; 296.171; 297A.211; 299A.12; 299A.13; 299A.14; 299A.16; 299A.18; 299D.01 to 299D.09; 299E.01; 299E.02; 325F.662; 325F.665; 373.041; 373.35; 480.23; 593.37; 609.135; 609.324; 609.531; 609.5314; 626.88; and 631.40.

(b) The revisor of statutes shall make similar conforming corrections to Minnesota Rules.

Sec. 62. [EFFECTIVE DATE.]

*Except for section 1, subdivision 2, paragraph (b), this act takes effect July 1, 1993."*

Delete the title and insert:

"A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 214.04, subdivision 1; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.03, subdivision 1; 297C.10, subdivisions 1 and 2; 297C.12; 297C.13, subdivision 1; 299A.02; 299A.30, subdivision 1; 299A.31; subdivision 1; 299A.331, subdivision 1; 299A.38, subdivisions 1, 2, and 4; 299C.01, subdivisions 2 and 4; 299C.06; 299C.13; 299C.50; 299F.01, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; 299A.01; 299C.01, subdivision 1; and 299F.01, subdivisions 1 and 3; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7."

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

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

S.F. No. 337: A bill for an act relating to housing; establishing a family homeless prevention and assistance program; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; 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, lines 17 and 18, delete "*that are experiencing significant growth in the number or percentage*" and insert "*with a significant number or significant growth in the number*"

Page 2, line 21, after "*prevent*" insert "*homelessness and*"

Page 2, line 31, after the period, insert "*Grants may not be used to pay more than 24 months of rental assistance for a family.*"

Page 2, line 35, delete "*and*"

Page 3, line 2, after "*housing*" insert "*, and other members of the public not representatives of those specifically described in this sentence*"

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

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

S.F. No. 94: A bill for an act relating to occupations and professions; board of medical practice; modifying requirements for licensing United States, Canadian, and foreign medical school graduates; providing for temporary permits; providing for residency permits; adding a requirement for students exempt from penalties for practicing without a license; adding to licensed professionals subject to reporting obligations; indemnifying board members, consultants, and persons employed by the board; amending Minnesota Statutes 1992, sections 62A.46, subdivision 7; 147.02, subdivision 1, and by adding a subdivision; 147.03; 147.037, subdivision 1, and by adding a subdivision; 147.09; 147.111, subdivision 4; 147.121, subdivision 2; and 148.91, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 147.

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

Page 7, line 11, after the period, insert "*Upon issuance of a license by the board, the board will terminate a residency permit.*"

Page 7, line 14, delete "*nonrefundable fee set*" and insert "*\$20 nonrefundable fee upon initial application and upon a change in residency program a lesser nonrefundable fee set by the board in such amount that is necessary to cover administrative costs incurred*"

Page 7, line 25, before "A" insert "*Upon a change in residency programs,*"

Page 7, line 27, after "*program*" insert "*being terminated*"

Page 7, line 28, after "*program*" insert "*until licensure is obtained*"

Page 7, line 31, after the period, insert "*The intent of this subdivision is not to replace routine academic corrective action undertaken by a residency training program.*"

Page 10, line 12, delete "*, consultants retained by board,*" and strike "*and*" and insert a comma

Page 10, line 13, strike "*or engaged in the*" and insert "*, and consultants retained by the board for the purpose of*" and strike "*and*"

Page 10, line 14, strike "*in*" and insert "*or*"

Page 10, delete section 11 and insert:

"Sec. 11. Minnesota Statutes 1992, section 148.71, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PERMIT.] (a) The board may, upon payment of a fee set by the board, issue a temporary permit to practice physical therapy under supervision to a physical therapist who is a graduate of an approved school of physical therapy and qualified for admission to examination for registration as a physical therapist. A temporary permit to practice physical therapy under supervision may be issued only once and cannot be renewed. It

expires 90 days after the next examination for registration given by the board or on the date on which the board, after examination of the applicant, grants or denies the applicant a registration to practice, whichever occurs first. A temporary permit expires on the first day the board begins its next examination for registration after the permit is issued if the holder does not submit to examination on that date. The holder of a temporary permit to practice physical therapy under supervision may practice physical therapy as defined in section 148.65 if the entire practice is under the supervision of a person holding a valid registration to practice physical therapy in this state. The supervision shall be direct, immediate, and on premises.

*(b) A physical therapist from another state who is licensed or otherwise registered in good standing as a physical therapist by that state and meets the requirements for registration under section 148.72 does not require supervision to practice physical therapy while holding a temporary permit in this state. The temporary permit remains valid only until the meeting of the board at which the application for registration is considered.*

Sec. 12. Minnesota Statutes 1992, section 148.71, is amended by adding a subdivision to read:

*Subd. 3. [FOREIGN-TRAINED PHYSICAL THERAPISTS; TEMPORARY PERMITS.] (a) The board of medical examiners may issue a temporary permit to a foreign-trained physical therapist who:*

*(1) is enrolled in a supervised physical therapy traineeship that meets the requirements under paragraph (b);*

*(2) has completed a physical therapy education program equivalent to that under section 148.705 and Minnesota Rules, part 5601.0800, subpart 2; and*

*(3) has paid a nonrefundable fee set by the board.*

*A foreign-trained physical therapist must have the temporary permit before beginning a traineeship.*

*(b) A supervised physical therapy traineeship must:*

*(1) be at least six months;*

*(2) be at a board-approved facility including a hospital or long-term care facility;*

*(3) provide a broad base of clinical experience to the foreign-trained physical therapist including a variety of physical agents, therapeutic exercises, evaluation procedures, and patient diagnoses;*

*(4) be supervised by a physical therapist who has at least three years of clinical experience and is registered under subdivision 1; and*

*(5) be approved by the board before the foreign-trained physical therapist begins the traineeship.*

*(c) A temporary permit is effective on the first day of a traineeship and expires 90 days after the next examination for registration given by the board following successful completion of the traineeship or on the date on which the board, after examination of the applicant, grants or denies the applicant a registration to practice, whichever occurs first.*

*(d) A foreign-trained physical therapist must successfully complete a traineeship to be registered as a physical therapist under subdivision 1. The traineeship may be waived for a foreign-trained physical therapist who is licensed or otherwise registered in good standing in another state and has successfully practiced physical therapy in that state under the supervision of a licensed or registered physical therapist for at least six months at a facility that meets the requirements under paragraph (b), clauses (2) and (3)."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after the semicolon, insert "adding registration requirements for physical therapists from other states and foreign-trained physical therapists,"

Page 1, line 15, delete "148.91, subdivision 3" and insert "148.71, subdivision 2, and by adding a subdivision"

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

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

S.F. No. 173: A bill for an act relating to occupations and professions; modifying board of medical practice requirements for licensure by reciprocity; amending Minnesota Statutes 1992, section 147.03, subdivision 2.

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

Page 1, line 16, after "(2)," insert "item (i) or (ii),"

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

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

S.F. No. 207: A bill for an act relating to occupations and professions; boards of social work and marriage and family therapy; clarifying data classifications and providing certain immunities for supervisors and persons reporting violations; changing board membership; adding certain licensing requirements to the board of social work; amending Minnesota Statutes 1992, sections 13.99, subdivision 49; 148B.04, by adding subdivisions; 148B.08, subdivision 1, and by adding a subdivision; 148B.18, subdivisions 8 and 10; 148B.19, subdivisions 1 and 2; 148B.21, subdivisions 3, 4, 5, 6, and by adding a subdivision; 148B.26, subdivision 1; 148B.27, by adding a subdivision; and 148B.28, subdivision 2.

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

Page 4, delete line 32 and insert:

*"(5) has not engaged in conduct warranting disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant's showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board."*

Page 5, delete line 11 and insert:

*“(5) has not engaged in conduct warranting disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant’s showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.”*

Page 5, delete line 29 and insert:

*“(5) has not engaged in conduct warranting disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant’s showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.”*

Page 6, delete line 18 and insert:

*“(5) has not engaged in conduct warranting disciplinary action against a licensee. If the applicant has engaged in conduct warranting disciplinary action against a licensee, the board may issue a license only on the applicant’s showing that the public will be protected through the issuance of a license with conditions or limitations approved by the board.”*

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 Care, to which was referred

S.F. No. 377: A bill for an act relating to health care; creating the children’s mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children’s mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2, and by adding a subdivision; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

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 1992, section 245.4873, subdivision 2, is amended to read:

Subd. 2. [STATE LEVEL; COORDINATION.] *The state coordinating council consists of the commissioners or designees of commissioners of the departments of human services, health, education, state planning, and corrections, and a representative of the Minnesota district judges association juvenile committee, in conjunction with the commissioner of commerce or a designee of the commissioner. The members of the council shall annually alternate chairing the council beginning with the commissioner of human services and proceeding in the order as listed in this subdivision. The council shall meet at least quarterly to:*

~~(1) educate each agency about the policies, procedures, funding, and services for children with emotional disturbances of all agencies represented;~~

(2) develop mechanisms for interagency coordination on behalf of children with emotional disturbances;

(3) identify barriers including policies and procedures within all agencies represented that interfere with delivery of mental health services for children;

(4) recommend policy and procedural changes needed to improve development and delivery of mental health services for children in the agency or agencies they represent;

(5) identify mechanisms for better use of federal and state funding in the delivery of mental health services for children; and

(6) until February 15, 1992, prepare an annual report on the policy and procedural changes needed to implement a coordinated, effective, and cost-efficient children's mental health delivery system.

This report shall be submitted to the legislature and the state mental health advisory council annually as part of the report required under section 245.487, subdivision 4. The report shall include information from each department represented on:

(1) the number of children in each department's system who require mental health services;

(2) the number of children in each system who receive mental health services;

(3) how mental health services for children are funded within each system;

(4) how mental health services for children could be coordinated to provide more effectively appropriate mental health services for children; and

(5) recommendations for the provision of early screening and identification of mental illness in each system perform the duties required under sections 245.494 to 245.496.

## Sec. 2. [245.491] [CITATION; DECLARATION OF PURPOSE.]

*Subdivision 1. [CITATION.] Sections 245.491 to 245.496 may be cited as "the children's mental health integrated fund."*

*Subd. 2. [PURPOSE.] The legislature finds that children with emotional and/or behavioral disturbances or who are at risk of suffering such disturbances often require services from multiple service systems including mental health, social services, education, corrections, juvenile court, health, and jobs and training. In order to better meet the needs of these children, it is the intent of the legislature to establish an integrated children's mental health service system that:*

(1) allows local service decision makers to draw funding from a single local source so that funds follow clients and eliminates the need to match clients, funds, services, and provider eligibilities;

(2) creates a local pool of state, local, and private funds to procure a greater medical assistance federal financial participation;

(3) improves the efficiency of use of existing resources;

(4) minimizes or eliminates the incentives for cost and risk shifting; and



(5) increases the incentives for earlier identification and intervention.

The children's mental health integrated fund established under sections 245.491 to 245.496 must be used to develop and support this integrated mental health service system. In developing this integrated service system, it is not the intent of the legislature to limit any rights available to children and their families through existing federal and state laws.

Sec. 3. [245.492] [DEFINITIONS.]

Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 245.491 to 245.496.

Subd. 2. [BASE LEVEL FUNDING.] "Base level funding" means funding received from state, federal, or local sources and expended across the local system of care in fiscal year 1993 for children's mental health services or for special education services for children with emotional and/or behavioral disturbances.

Subd. 3. [CHILDREN WITH EMOTIONAL AND/OR BEHAVIORAL DISTURBANCES.] "Children with emotional and/or behavioral disturbances" includes children with emotional disturbances as defined in section 245.4871, subdivision 15, and children with emotional or behavioral disorders as defined in Minnesota Rules, part 3525.1329, subpart 1.

Subd. 4. [FAMILY.] "Family" has the definition provided in section 245.4871, subdivision 16.

Subd. 5. [INITIAL TARGET POPULATION.] "Initial target population" means a population of children that the local children's mental health collaborative agrees to serve in the start-up phase and who meet the criteria for the target population. The initial target population may be less than the target population.

Subd. 6. [INTEGRATED FUND.] "Integrated fund" is a pool of both public and private local, state, and federal resources, consolidated at the local level, to accomplish locally agreed upon service goals for the target population. The fund is used to help the local children's mental health collaborative to serve the mental health needs of children in the target population by allowing the local children's mental health collaboratives to develop and implement an integrated service system.

Subd. 7. [INTEGRATED SERVICE SYSTEM.] "Integrated service system" means a coordinated set of procedures established by the local children's mental health collaborative for coordinating services and actions across categorical systems and agencies that results in:

- (1) integrated funding;
- (2) outreach, early identification, and intervention across systems;
- (3) strong collaboration between parents and professionals in identifying children in the target population facilitating access to the integrated system, and coordinating care and services for these children;
- (4) a coordinated assessment process across systems that determines which children need multiagency care coordination and wraparound services;

- (5) multiagency plan of care and unitary case management coordination; and
- (6) wraparound services.

*Services provided by the integrated service system must meet the requirements set out in sections 245.487 to 245.4887. Children served by the integrated service system must be economically and culturally representative of children in the service delivery area.*

*Subd. 8. [INTEGRATED FUND TASK FORCE.] "The integrated fund task force" means the statewide task force established in Laws 1991, chapter 292, article 6, section 57.*

*Subd. 9. [INTERAGENCY EARLY INTERVENTION COMMITTEE.] "Interagency early intervention committee" refers to the committee established under section 120.17, subdivision 12.*

*Subd. 10. [LOCAL CHILDREN'S ADVISORY COUNCIL.] "Local children's advisory council" refers to the council established under section 245.4875, subdivision 5.*

*Subd. 11. [LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] "Local children's mental health collaborative" means an entity formed by the contractual agreement of representatives of the local system of care including mental health services, social services, correctional services, education services, health services, and vocational services for the purpose of developing and governing an integrated service system. A local coordinating council or an interagency early intervention committee may serve as a local children's mental health collaborative if its representatives are capable of carrying out the duties of the local children's mental health collaborative set out in sections 245.491 to 245.496. Where a local coordinating council is not the local children's mental health collaborative, the local children's mental health collaborative must work closely with the local coordinating council in designing the integrated service system.*

*Subd. 12. [LOCAL COORDINATING COUNCIL.] "Local coordinating council" refers to the council established under section 245.4875, subdivision 6.*

*Subd. 13. [LOCAL SYSTEM OF CARE.] "Local system of care" has the definition provided in section 245.4871, subdivision 24.*

*Subd. 14. [MENTAL HEALTH SERVICES.] "Mental health services" has the definition provided in section 245.4871, subdivision 28.*

*Subd. 15. [MULTIAGENCY PLAN OF CARE.] "Multiagency plan of care" means a written plan of intervention and integrated services developed by a multiagency team in conjunction with the child and family based on their unique strengths and needs as determined by a multiagency assessment. The plan must outline measurable client outcomes and specific services needed to attain these outcomes, the agencies responsible for providing the specified services, funding responsibilities, timelines, the judicial or administrative procedures needed to implement the plan of care, and the agencies responsible for initiating these procedures.*

*Subd. 16. [SERVICE DELIVERY AREA.] "Service delivery area" means the geographic area to be served by the local children's mental health*

*collaborative and must include at a minimum a part of a county and school district or a special education cooperative.*

*Subd. 17. [START-UP FUNDS.] "Start-up funds" means the funds available to assist a local children's mental health collaborative in planning and developing the integrated service system for children in the target population and in setting up a local integrated fund.*

*Subd. 18. [STATE COORDINATING COUNCIL.] "State coordinating council" means the council established under section 245.4873, subdivision 2.*

*Subd. 19. [TARGET POPULATION.] "Target population" means children up to age 18 with an emotional and/or behavioral disturbance or who are at risk of suffering an emotional and/or behavioral disturbance as evidenced by a behavior or condition that affects the child's ability to function in a primary aspect of daily living including personal relations, living arrangements, work, school, and recreation and a child who can benefit from:*

- (1) multiagency service coordination and wraparound services; or*
- (2) informal coordination of traditional mental health services provided on a temporary basis.*

*Children between the ages of 18 and 21 who meet this criteria may be included in the target population at the option of the local children's mental health collaborative.*

*Subd. 20. [WRAPAROUND SERVICES.] "Wraparound services" are alternative, flexible, coordinated, and highly individualized services that are based on a multiagency plan of care. These services are designed to build on the strengths and respond to the needs identified in the child's multiagency assessment and to improve the child's ability to function in the home, school, and community. Wraparound services may include, but are not limited to, respite services, services that assist the child or family in enrolling in or participating in recreational activities, assistance in purchasing otherwise unavailable items or services important to maintain a specific child in the family, and services that assist the child to participate in more traditional services and programs.*

#### **Sec. 4. [245.493] [LOCAL LEVEL COORDINATION.]**

*Subdivision 1. [REQUIREMENTS TO QUALIFY AS A LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] In order to qualify as a local children's mental health collaborative and be eligible to receive start-up funds, the representatives of the local system of care, or at a minimum one county, one school district or special education cooperative, and one mental health entity must agree to the following:*

- (1) to establish a local children's mental health collaborative and develop an integrated service system;*
- (2) to meet the duties described in subdivision 2; and*
- (3) to commit resources to providing services through the local children's mental health collaborative.*

*Subd. 2. [GENERAL DUTIES OF THE LOCAL CHILDREN'S MENTAL*

HEALTH COLLABORATIVES.] Each local children's mental health collaborative must:

(1) identify a service delivery area and an initial target population within that service delivery area. The initial target population must be economically and culturally representative of children eligible for public services in the service delivery area to be served by the local children's mental health collaborative. The size of the initial target population must also be economically viable for the service delivery area;

(2) develop and communicate to agencies in the local system of care eligibility criteria for services received through the local children's mental health collaborative and a process for determining eligibility. The process shall place strong emphasis on outreach to families, respecting the family role in identifying children in need, and valuing families as partners;

(3) seek to maximize federal revenues available to serve children in the target population by designating local expenditures for mental health services that can be matched with federal dollars and by designing services to meet the requirements for state and federal reimbursement;

(4) in consultation with the local children's advisory council and the local coordinating council, if it is not the local children's mental health collaborative, design, develop, and ensure implementation of an integrated service system and develop interagency agreements necessary to implement the system;

(5) expand membership to include representatives of other services in the local system of care;

(6) develop mechanisms for integrating funds to either expand the initial target population or expand services to the target population;

(7) create or designate a management structure for fiscal and clinical responsibility, data collection, outcome evaluation, and information flow;

(8) develop mechanisms for quality assurance, outcome management, and appeals;

(9) involve the family, and where appropriate the individual child, in developing multiagency service plans to the extent required in sections 253B.03, subdivision 7; 257.071, subdivision 1; and 260.191, subdivision 1e;

(10) meet all standards and provide all mental health services as required in sections 245.487 to 245.4888 and ensure that the services provided are culturally appropriate;

(11) spend funds generated by the local children's mental health collaborative as required in sections 245.491 to 245.496;

(12) maintain base level funding for services for children with emotional and/or behavioral disturbances;

(13) explore methods and recommend changes needed at the state level to reduce duplication and promote coordination of services including the use of uniform forms for reporting, billing, and planning of services;

(14) provide documentation and meet reporting requirements requested by the state coordinating council and state agencies;

(15) negotiate contracts with state agencies and other funding sources for receipt of funds to further the goals of the local children's mental health collaborative; and

(16) if the county participant of the local children's mental health collaborative is also a provider of child welfare targeted case management as authorized by the 1993 legislature, then federal reimbursement received by the county for child welfare targeted case management provided to the target population must be directed to the integrated fund.

Sec. 5. [245.494] [STATE LEVEL COORDINATION.]

Subdivision 1. [STATE COORDINATING COUNCIL.] The state coordinating council, in consultation with the integrated fund task force, shall:

(1) assist local children's mental health collaboratives in meeting the requirements of sections 245.491 to 245.496, by seeking consultation and technical assistance from national experts and coordinating presentations and assistance from these experts to local children's mental health collaboratives;

(2) assist local children's mental health collaboratives in identifying an economically viable initial target population;

(3) develop methods to reduce duplication and promote coordinated services including uniform forms for reporting, billing, and planning of services;

(4) by September 1, 1994, develop a model multiagency plan of care that can be used by local children's mental health collaboratives in place of an individual education plan, individual family community support plan, individual family support plan, and an individual treatment plan;

(5) assist in the implementation and operation of local children's mental health collaboratives by facilitating the integration of funds, coordination of services, and measurement of results, and by providing other assistance as needed;

(6) by September 1, 1993, develop a procedure for awarding start-up funds. Development of this procedure shall be exempt from chapter 14;

(7) develop procedures and provide technical assistance to allow local children's mental health collaboratives to integrate resources for children's mental health services with other resources available to serve children in the target population in order to maximize federal participation and improve efficiency of funding;

(8) ensure that local children's mental health collaboratives and the services received through these collaboratives meet the requirements set out in sections 245.491 to 245.496;

(9) identify base level funding from state and federal sources across systems and work with local children's mental health collaboratives to determine local base level funding;

(10) develop mechanisms to ensure that start-up funds and any additional federal funds generated by local children's mental health collaboratives are spent as required in sections 245.491 to 245.496;

(11) explore ways to access additional federal funds and enhance revenues available to address the needs of the target population;

(12) develop a mechanism for identifying the state share of funding for services to children in the target population and for making these funds available on a per capita basis for services provided through the local children's mental health collaborative to children in the target population. Each year beginning January 1, 1994, forecast the growth in the state share and increase funding for local children's mental health collaboratives accordingly;

(13) identify data to be collected and outcome measures to be reported by local children's mental health collaboratives;

(14) identify barriers to integrated service systems that arise from data practices and make recommendations including legislative changes needed in the data privacy act to address these barriers;

(15) annually review the expenditures of local children's mental health collaboratives to ensure that funding for services provided to the target population continues from sources other than the federal funds earned under sections 245.491 to 245.496 and that federal funds earned are spent consistent with sections 245.491 to 245.496; and

(16) provide the integrated fund task force with information requested.

*Subd. 2. [STATE COORDINATING COUNCIL REPORT.]* Each year, beginning February 1, 1995, the state coordinating council must submit a report to the legislature on the status of the local children's mental health collaboratives. The report must include the number of local children's mental health collaboratives, the amount and type of resources committed to local children's mental health collaboratives, the additional federal revenue received as a result of local children's mental health collaboratives, the services provided, the number of children served, outcome indicators, the identification of barriers to additional collaboratives and funding integration, and recommendations for further improving service coordination and funding integration.

*Subd. 3. [DUTIES OF THE COMMISSIONER OF HUMAN SERVICES.]* The commissioner of human services, in consultation with the integrated fund task force, shall:

(1) separate all medical assistance, general assistance medical care, and MinnesotaCare resources devoted to mental health services including inpatient, outpatient, medication, services under the rehabilitation option, and related physician services from the total health capitation under section 256B.69 and develop a separate contract for managing these mental health benefits that will require all contractors to:

(i) provide mental health services eligible for medical assistance reimbursement;

(ii) meet performance standards established by the commissioner of human services including providing services consistent with the requirements and standards set out in sections 245.487 to 245.4888 and 245.491 to 245.496;

(iii) provide the commissioner of human services with data consistent with that collected under sections 245.487 to 245.4888; and

(iv) in service delivery areas where there is a local children's mental health collaborative for the target population defined by local children's mental health collaborative:

- (A) participate in the local children's mental health collaborative;
- (B) commit resources to local children's mental health collaboratives that are actuarially equivalent to resources received for the target population being served by local children's mental health collaboratives; and
- (C) meet the requirements and the performance standards developed for local children's mental health collaboratives;
- (2) develop a mechanism for integrating medical assistance resources for mental health service with resources for general assistance medical care, MinnesotaCare, and any other state and local resources available for services for children in the target population and develop a procedure for making these resources available for use by a local children's mental health collaborative;
- (3) gather data needed to manage mental health care including evaluation data and data necessary to establish a separate capitation rate for children's mental health services if that option is selected;
- (4) by January 1, 1994, develop a model contract for providers of mental health managed care that meets the requirements set out in sections 245.491 to 245.496 and 256B.69, and utilize this contract for all subsequent awards;
- (5) by January 1, 1994, develop revenue enhancement or rebate mechanisms and procedures to certify expenditures made through local children's mental health collaboratives for mental health services that may be eligible for federal financial participation under medical assistance and other federal programs and provide technical assistance to help local children's mental health collaboratives certify local expenditures;
- (6) assist local children's mental health collaboratives in identifying an economically viable initial target population;
- (7) seek all necessary federal waivers or approvals and recommend necessary legislation to enhance federal revenue, provide clinical and management flexibility, and otherwise meet the goals of local children's mental health collaboratives;
- (8) take all steps necessary to secure medical assistance reimbursement under the rehabilitation option for residential treatment and for family community support services when these services are provided through a local children's mental health collaborative; and
- (9) provide a mechanism to identify separately the reimbursement to a county for child welfare targeted case management provided to the target population for purposes of subsequent transfer by the county to the integrated fund.

Subd. 4. [RULEMAKING.] The commissioners of human services, health, education, and corrections shall adopt or amend rules as necessary to implement sections 245.491 to 245.496.

Subd. 5. [RULE MODIFICATION.] The commissioner of human services shall modify the service and claiming requirements set out in Minnesota Rules, parts 9520.0900 to 9220.0926 and 9505.0323, as it pertains to mental health, to correspond with similar provisions proposed under the Family Preservation Investment Project-Federal Revenue Enhancement Initiative.

Sec. 6. [245.495] [ADDITIONAL FEDERAL REVENUES.]

Each local children's mental health collaborative shall report expenditures eligible for federal reimbursement in a manner prescribed by the commissioner of human services under section 256.01, subdivision 2, clause (17). The commissioner of human services shall pay all funds earned by each local children's mental health collaborative to the collaborative. Each local children's mental health collaborative must use these funds to expand the initial target population or to develop or provide mental health services through the local integrated service system to children in the target population. Funds may not be used to supplant funding for services to children in the target population.

For purposes of this section, "mental health services" are community-based, nonresidential services, which may include respite care, that are identified in the child's multiagency plan of care.

Sec. 7. [245.496] [IMPLEMENTATION.]

*Subdivision 1. [APPLICATIONS FOR START-UP FUNDS FOR LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVES.]* By September 1, 1993, the commissioner of human services shall publish the procedures for awarding start-up funds. Applications for local children's mental health collaboratives shall be obtained through the commissioner of human services and submitted to the state coordinating council. The application must state the amount of start-up funds requested by the local children's mental health collaborative and how the local children's mental health collaborative intends on using these funds.

*Subd. 2. [DISTRIBUTION OF START-UP FUNDS.]* By January 1, 1994, the state coordinating council must ensure distribution of start-up funds to local children's mental health collaboratives that meet the requirements established in section 245.493 and whose applications have been approved by the council. If the number of applications received exceed the number of local children's mental health collaboratives that can be funded, the funds must be geographically distributed across the state and preference must be given to collaboratives that include multiple counties, multiple school districts, the juvenile court and correctional systems, or other multiple government entities from the local system of care.

*Subd. 3. [SUBMISSION AND APPROVAL OF LOCAL COLLABORATIVE PROPOSALS FOR INTEGRATED SYSTEMS.]* By December 31, 1994, a local children's mental health collaborative that received start-up funds must submit to the state coordinating council its proposal for creating and funding an integrated service system for children in the target population. Within 60 days of receiving the local collaborative proposal the state coordinating council must review the proposal and notify the local children's mental health collaborative as to whether or not the proposal has been approved. If the proposal is not approved, the state coordinating council must indicate changes needed to receive approval.

Sec. 8. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 32. [FAMILY COMMUNITY SUPPORT SERVICES.]* Medical assistance covers family community support services as defined in section 245.4871; subdivision 17.



Sec. 9. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 33. [THERAPEUTIC SUPPORT OF FOSTER CARE.] Medical assistance covers therapeutic support of foster care as defined in section 245.4871, subdivision 34.*

Sec. 10. Laws 1991, chapter 292, article 6, section 57, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE TASK FORCE.] The commissioner of human services shall convene a task force to study the feasibility of establishing an integrated children's mental health fund. The task force shall consist of mental health professionals, county social services personnel, service providers, advocates, and parents of children who have experienced episodes of emotional disturbance. The task force shall also include representatives of the children's mental health subcommittee of the state advisory council and local coordinating councils established under Minnesota Statutes, sections 245.487 to 245.4887. The task force shall include the commissioners of education, health, and human services; two members of the senate; and two members of the house of representatives. The task force shall examine all possible county, state, and federal sources of funds for children's mental health with a view to designing an integrated children's mental health fund, improving methods of coordinating and maximizing all funding sources, and increasing federal funding. Programs to be examined shall include, but not be limited to, the following: medical assistance, title IV-E of the social security act, title XX social service programs, chemical dependency programs, education and special education programs, and, for children with a dual diagnosis, programs for the developmentally disabled. The task force may consult with experts in the field, as necessary. ~~The task force shall make a preliminary report and recommendations on local coordination of funding sources by January 1, 1992, to facilitate the development of local protocols and procedures under subdivision 2. The task force shall submit a final report to the legislature by January 1, 1993, with its findings and recommendations. By January 1, 1994, the task force shall provide a report to the legislature with recommendations of the task force for promoting integrated funding and services for children's mental health. The report must include the following recommendations: (1) how to phase in all delivery systems, including the juvenile court and correctional systems; (2) how to expand the initial target population so that the state eventually has a statewide integrated children's mental health service system that integrates funding regardless of source for children with emotional and/or behavioral disturbances or those at risk of suffering such disturbances; (3) possible outcome measures of the local children's mental health collaboratives; and (4) for any necessary legislative changes in the data practices act. The task force shall continue through June 30, 1995, and shall advise and assist the state coordinating council and local children's mental health collaboratives as required in sections 245.491 to 245.496.~~

Sec. 11. Laws 1991, chapter 292, article 6, section 57, subdivision 3, is amended to read:

Subd. 3. [FINAL REPORT.] By February 15, 1993, the commissioner of human services shall provide a report to the legislature that describes the reports and recommendations of the statewide task force under subdivision 1 and of the local coordinating councils under subdivision 2, and provides the commissioner's recommendations for legislation or other needed changes.

Sec. 12. [APPROPRIATIONS.]

*Subdivision 1. \$100,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, to be administered by the state coordinating council for consultation and technical assistance to local children's mental health collaboratives as provided in section 5.*

*Subd. 2. \$60,000 in fiscal year 1994 and \$60,000 in fiscal year 1995 are appropriated from the general fund to the commissioner of human services for additional staff to be assigned to the medical assistance program.*

*Subd. 3. \$800,000 is appropriated from the general fund to the state coordinating council to be available for the biennium ending June 30, 1995, for start-up funds for local children's mental health collaboratives.*

*Subd. 4. \$200,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, for four additional staff positions, one to be assigned to the state coordinating council, one to be assigned to the department of education, one to be assigned to the department of health, and one to remain at the department of human services.*

*Subd. 5. \$60,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, for one staff person to be assigned to the integrated fund task force.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 8 and 9 are effective January 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245."*

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

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

S.F. No. 419: A bill for an act relating to health care; modifying and making corrections to the health right act; amending Minnesota Statutes 1992, sections 43A.317, subdivisions 2, 7, and 10; 62A.011, subdivision 3; 62A.021, subdivision 1; 62A.65, subdivision 5; 62J.04, subdivisions 2, 3, 4, 5, 6, and 7; 62J.09, subdivisions 1, 2, and 6; 62J.15, subdivision 2; 62J.17, subdivisions 2, 4, 5, and 6; 62J.19; 62J.23; 62J.29, subdivisions 1 and 4; 62J.30, subdivisions 4, 7, 8, and 10; 62J.31, subdivisions 2 and 3; 62J.32, subdivisions 1 and 4; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 8, 11, 15, and 16, and by adding a subdivision; 62L.03, subdivisions 2 and 5; 62L.05, subdivisions 1, 4, and 10; 62L.09, subdivision 2; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 1, 2, 3, 4, 5, 6, 7, and 9; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.17,

subdivisions 1 and 4; 62L.19; 62L.20, subdivisions 1 and 2; 144.147, subdivision 4; 144.1481, subdivision 1; 256.045, subdivision 10; 256.9353, subdivisions 2, 6, and by adding a subdivision; 256.9354; 256.9355, subdivision 3; 256.9356, subdivision 2; 256.9357; 256B.0644; Laws 1992, chapter 549, articles 1, section 15; 2, sections 24 and 25; 3, section 24; and 4, section 18; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, sections 62J.05, subdivision 5; 62J.09, subdivisions 3 and 8; and 62J.21.

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

Page 17, after line 8, insert:

“Sec. 22. [EFFECTIVE DATE.]

*Sections 1 to 21 are effective the day following final enactment.”*

Page 47, after line 29, insert:

“Sec. 12. [EFFECTIVE DATE.]

*Sections 2 to 10 are effective the day following final enactment. Section 1 is effective for appeals filed on or after the day following final enactment.”*

Page 55, after line 28, insert:

“Sec. 13. [EFFECTIVE DATE.]

*Sections 1 to 12 are effective the day following final enactment.”*

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

## SECOND READING OF SENATE BILLS

S.F. Nos. 273, 242, 94, 173 and 419 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that the name of Mr. Lessard be added as a co-author to S.F. No. 192. The motion prevailed.

Mr. Solon moved that his name be stricken as a co-author to S.F. No. 201. The motion prevailed.

Mr. Price moved that the names of Messrs. Laidig; Johnson, D.J. and Ms. Flynn be added as co-authors to S.F. No. 254. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 317. The motion prevailed.

Ms. Piper moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 353. The motion prevailed.

Mr. Beckman moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 381. The motion prevailed.

Ms. Pappas moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 383. The motion prevailed.

Ms. Flynn moved that the name of Ms. Runbeck be added as a co-author to S.F. No. 391. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Finn be added as a co-author to S.F. No. 388. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Mr. Finn be added as a co-author to S.F. No. 389. The motion prevailed.

Mr. Johnson, D.J. moved that the names of Mses. Reichgott, Flynn and Pappas be added as co-authors to S.F. No. 408. The motion prevailed.

Mr. Vickerman moved that the name of Ms. Johnston be added as a co-author to S.F. No. 434. The motion prevailed.

Mr. Spear moved that the names of Ms. Anderson and Mr. Cohen be added as co-authors to S.F. No. 441. The motion prevailed.

Mr. Marty moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Hottinger be added as chief author to S.F. No. 448. The motion prevailed.

Mr. Marty moved that the name of Ms. Pappas be added as a co-author to S.F. No. 449. The motion prevailed.

Mr. Beckman moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 451. The motion prevailed.

Mr. Pogemiller moved that the name of Ms. Pappas be added as a co-author to S.F. No. 465. The motion prevailed.

Mr. Hottinger introduced—

Senate Resolution No. 25: A Senate resolution commending Bill Altnow for 35 years of service as the photographer for the Mankato Free Press.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 26: A Senate resolution in the matter of Norm Green, North Stars owner.

Referred to the Committee on Rules and Administration.

Ms. Reichgott moved that the appointments of notaries public be laid on the table. The motion prevailed.

### CALENDAR

H.F. No. 1: A bill for an act relating to the legislature; providing for the designation of successor legislative committees; proposing coding for new law in Minnesota Statutes, chapter 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Moe, R.D.	Reichgott
Anderson	Dille	Knutson	Mondale	Rivness
Beckman	Finn	Krentz	Murphy	Robertson
Belanger	Flynn	Kroening	Neuville	Sams
Benson, D.D.	Frederickson	Laidig	Novak	Samuelson
Benson, J.E.	Hottinger	Larson	Oliver	Solon
Berg	Janezich	Lesewski	Olson	Spear
Berglin	Johnson, D.E.	Lessard	Pappas	Stevens
Bertram	Johnson, D.J.	Luther	Pariseau	Stumpf
Betzold	Johnson, J.B.	Marty	Piper	Terwilliger
Chandler	Johnston	McGowan	Price	Vickerman
Cohen	Kelly	Metzen	Ranum	Wiener

So the bill passed and its title was agreed to.

S.F. No. 48: A bill for an act relating to real property; providing for recordation of mortgage satisfaction or release following change in identity of corporate mortgagee or assignee; providing procedures for interested person to file for record a request for notice of mortgage foreclosure; allowing postponement of foreclosure sale by party conducting the foreclosure; providing that certain forfeitures of real property are subject to interests of good faith purchasers; amending Minnesota Statutes 1992, sections 507.411; 580.032, subdivision 1; 580.07; and 609.5311, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Murphy	Robertson
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hottinger	Lesewski	Olson	Spear
Benson, J.E.	Janezich	Lessard	Pappas	Stevens
Berg	Johnson, D.E.	Luther	Pariseau	Stumpf
Berglin	Johnson, D.J.	Marty	Piper	Terwilliger
Bertram	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Betzold	Johnston	Metzen	Price	Wiener
Chandler	Kelly	Moe, R.D.	Ranum	
Cohen	Kiscaden	Mondale	Reichgott	
Day	Knutson	Morse	Rivness	

So the bill passed and its title was agreed to.

S.F. No. 119: A bill for an act relating to health; modifying requirements for the nursing assistant competency evaluation program; amending Minnesota Statutes 1992, section 144A.61, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Berg	Day	Janezich	Kiscaden
Anderson	Berglin	Dille	Johnson, D.E.	Knutson
Beckman	Bertram	Finn	Johnson, D.J.	Krentz
Belanger	Betzold	Flynn	Johnson, J.B.	Kroening
Benson, D.D.	Chandler	Frederickson	Johnston	Laidig
Benson, J.E.	Cohen	Hottinger	Kelly	Larson

Lesewski	Mondale	Pappas	Riveness	Stumpf
Lessard	Morse	Pariseau	Robertson	Terwilliger
Luther	Murphy	Piper	Sams	Vickerman
Marty	Neuville	Pogemiller	Samuelson	Wiener
McGowan	Novak	Price	Solon	
Metzen	Oliver	Ranum	Spear	
Moe, R.D.	Olson	Reichgott	Stevens	

So the bill passed and its title was agreed to.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mrs. Adkins introduced—

S.F. No. 467: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 885, St. Michael-Albertville.

Referred to the Committee on Education.

Mr. Cohen and Ms. Krentz introduced—

S.F. No. 468: A bill for an act relating to education; excluding family savings from financial aid calculations; providing that contributions to and interest earned on certain educational savings plan accounts are exempt from income taxes; amending Minnesota Statutes 1992, sections 136A.121, subdivision 5; 290.01, subdivision 19b; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Education.

Messrs. Cohen, Spear, Ms. Anderson, Messrs. Hottinger and Marty introduced—

S.F. No. 469: A bill for an act relating to crimes; increasing penalties for felonies committed with an illegal weapon; creating a permissive inference of possession with respect to a firearm in an automobile; prohibiting the ownership, possession, or operation of military assault weapons except under certain circumstances; requiring the issuance of permits to existing owners of military assault weapons; defining terms; providing penalties; amending Minnesota Statutes 1992, sections 609.11, by adding a subdivision; and 609.67; proposing coding for new law in Minnesota Statutes, chapters 609 and 624.

Referred to the Committee on Crime Prevention.

Mr. Cohen introduced—

S.F. No. 470: A bill for an act relating to elections; changing the time and date of the precinct caucuses; amending Minnesota Statutes 1992, section 202A.14, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Sams, Finn, Luther and Moe, R.D. introduced—

S.F. No. 471: A bill for an act relating to state employees; providing that additional compensation may not be paid to employees of the state or quasi-state agencies based on their performances; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Reform.

Mrs. Pariseau, Messrs. Knutson and Benson, D.D. introduced—

S.F. No. 472: A bill for an act relating to metropolitan government; repealing the authority for dual track airport development planning; repealing Minnesota Statutes 1992, sections 473.155, subdivisions 3 and 4; 473.616; 473.618; and 473.619.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Janezich, Pogemiller, Ms. Ranum, Messrs. Johnson, D.J. and Solon introduced—

S.F. No. 473: A bill for an act relating to education; establishing a coordinated county-school district program; creating a waiver process of rules for new program; appropriating money; amending Minnesota Statutes 1992, sections 124.2615, subdivision 3; 124.2711, subdivision 4; 124.2713, subdivisions 8 and 9; 124.2716; and 124.2721, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 3 and 256E.

Referred to the Committee on Education.

Ms. Pappas, Mr. Mondale, Meses. Ranum, Krentz and Mr. Novak introduced—

S.F. No. 474: A bill for an act relating to transportation; requiring metropolitan area highway projects' environmental impact statements to address economic, social, and demographic efforts; requiring the revision of the state transportation plan to establish objectives and policies for the health of the fully developed part of the metropolitan area; prohibiting federal section 9 money from being used for highways; requiring the metropolitan council's transportation policy plan to require comparison of highways to transit and effects of highways on land use and housing; providing that the transit goals include stabilizing and enhancing the health of the metropolitan area; amending Minnesota Statutes 1992, sections 116D.04, by adding a subdivision; 174.03, subdivision 1a; 473.146, subdivision 3; 473.167, subdivision 1; 473.371; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Messrs. Vickerman, Frederickson, Ms. Lesewski and Mr. Chmielewski introduced—

S.F. No. 475: A bill for an act relating to highways; designating route as Wally Nelson Highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Murphy, Pogemiller, Beckman, Stumpf and Kroening introduced—

S.F. No. 476: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; amending Minnesota Statutes 1992, sections 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Mr. Bertram, Mrs. Adkins, Mr. Metzen, Mses. Hanson and Flynn introduced—

S.F. No. 477: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; amending Minnesota Statutes 1992, sections 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Messrs. Mondale, Luther, Ms. Pappas, Messrs. Moe, R.D. and Novak introduced—

S.F. No. 478: A bill for an act relating to metropolitan government; making the metropolitan council an elected body; changing the metropolitan transit commission, metropolitan sports facilities commission, metropolitan airports commission, and metropolitan waste control commission to operating divisions in the metropolitan council; assigning duties to the operating divisions; transferring duties of the regional transit board to the metropolitan council; abolishing the metropolitan mosquito control commission; amending Minnesota Statutes 1992, sections 6.76; 10A.01, subdivisions 18, 26, and 27; 12.03, subdivision 9; 13.55, subdivision 1; 15.0597, subdivision 1; 15A.081, subdivision 1; 43A.18, subdivision 5; 138.73, subdivision 13; 161.173; 161.174; 174.02, subdivision 5; 204B.32, subdivision 2; 252.478, subdivision 2; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.01, subdivision 2a; 353D.01, subdivision 2; 360.015, subdivision 3; 360.0753, subdivision 1; 422A.01, subdivisions 9, 17, and 18; 422A.101, subdivision 2a; 422A.151; 471.56, subdivision 5; 471A.02, subdivision 8; 473.122; 473.123, subdivisions 1, 2a, 3a, 4, 5, and by adding subdivisions; 473.129, subdivision 6, and by adding subdivisions; 473.13, subdivision 1, and by adding subdivisions; 473.141, subdivisions 1, 2, 3, 3a, 4, 4a; 5, 6, 7, 8, and 10; 473.142; 473.1425; 473.143, subdivisions 1, 2, 3, 4, 5, 6, and 7; 473.144; 473.146, subdivisions 1, 2, 2a, 2b, 2c, and 4; 473.153, subdivisions 1, 4a, and 6; 473.155, subdivision 1; 473.1551, subdivision 2; 473.161, subdivisions 1a, 1b, 2a, and 3; 473.167, subdivision 1; 473.168, subdivision 2; 473.171, subdivisions 1 and 2; 473.223; 473.245; 473.247; 473.371, subdivision 2; 473.373, subdivisions 1a and 5; 473.375, subdivisions 11, 13, and 16; 473.377, subdivisions 1 and 4; 473.384, subdivisions 1, 3, 6, and 7; 473.385, subdivision 2; 473.386, subdivision 2; 473.388, subdivisions 2, 3, and 4; 473.39, subdivisions 1 and 1a; 473.391; 473.392; 473.399, subdivisions 2 and 3; 473.3991, subdivision 2; 473.3994, subdivision 9; 473.3998; 473.404, subdivisions 1, 2, 3, and 5; 473.405, subdivisions 5, 6, and by



adding a subdivision; 473.4051; 473.408, subdivision 2a; 473.409; 473.416; 473.417; 473.418; 473.42; 473.436, subdivision 6; 473.445, subdivisions 1 and 3; 473.446, subdivisions 1 and 7; 473.503; 473.504, subdivisions 1, 5, 6, 7, and 9; 473.511, subdivisions 1, 2, and 4; 473.516, subdivision 1; 473.521, subdivision 3; 473.549; 473.553, subdivision 1; 473.556, subdivisions 7 and 9; 473.565, subdivisions 1 and 2; 473.571, subdivision 1; 473.581, subdivisions 1, 2, 4, and 5; 473.595, subdivisions 1, 2, and 6; 473.602; 473.603, subdivision 1; 473.604, subdivisions 1, 2, and 3; 473.606, subdivisions 3, 5, 6, and 7; 473.608, subdivisions 1, 2, 3, 7, 12, 13, 15, 17, 19, 20, and 21; 473.609; 473.616, subdivisions 1 and 4; 473.618; 473.619, subdivisions 3 and 4; 473.621, subdivisions 2, 3, 4, and 5; 473.622; 473.625; 473.627; 473.631; 473.636, subdivision 1; 473.637; 473.638, subdivision 3; 473.64; 473.641, subdivisions 1 and 2; 473.651; 473.652, subdivision 2; 473.655; 473.661, subdivisions 1, 2, 3, and 4; 473.662; 473.665, subdivisions 1, 2, 3, 4, 5, and 6; 473.668; 473.675, subdivision 1; 473.8011; 473.811, subdivision 7; 488A.01, subdivision 6; and 488A.18, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 15A.081, subdivision 7; 174.22, subdivision 4; 473.121, subdivisions 5a, 14a, 15, 21, and 32; 473.123, subdivision 3; 473.141, subdivisions 9, 11, 12, 13, and 14; 473.161, subdivision 2; 473.1623; 473.163; 473.1631; 473.164; 473.181, subdivisions 3 and 5; 473.371, subdivision 1; 473.373, subdivisions 1, 4a, 6, and 8; 473.375, subdivisions 1, 2, 3, 4, 9, 10, 17, and 18; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, subdivisions 4, 6, 7, 8, and 9; 473.405, subdivisions 1, 2, 7, 8, and 11; 473.435; 473.436, subdivision 7; 473.501, subdivision 2; 473.504, subdivisions 2 and 3; 473.511, subdivision 3; 473.517, subdivision 9; 473.543, subdivision 5; 473.551, subdivision 3; 473.552; 473.553, subdivisions 2, 3, 4, 4a, and 5; 473.556, subdivisions 1 and 2; 473.561; 473.571, subdivision 6; 473.572; subdivisions 1 and 2; 473.595, subdivisions 3, 4, and 5; 473.601, subdivisions 2, 4, and 5; 473.603, subdivision 2; 473.604, subdivisions 4, 5, 6, and 7; 473.605; 473.606, subdivisions 1, 2, and 4; 473.608, subdivisions 4 and 5; 473.619, subdivisions 1, 2, and 5; 473.621, subdivisions 6 and 7; 473.701; 473.702; 473.703; 473.704; 473.705; 473.706; 473.711; 473.712; 473.714; 473.715; and 473.716.

Referred to the Committee on Metropolitan and Local Government.

Mr. Mondale, Mses. Pappas, Flynn, Mr. Novak and Ms. Runbeck introduced—

S.F. No. 479: A bill for an act relating to taxation; providing for an urban enterprise zone program; providing property tax exemptions for certain improvements to property in an enterprise zone; providing franchise tax credits for certain wages of employees employed in an enterprise zone; excepting certain tax-increment projects from certain limitations on the use of revenues; establishing special rules for tax-increment financing districts in the metropolitan area; amending Minnesota Statutes 1992, sections 272.02, by adding a subdivision; 273.11, by adding a subdivision; and 469.1763, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 290; 469; and 473.

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

Messrs. Belanger, Chmielewski, Kroening, Ms. Runbeck and Mr. Frederickson introduced—

S.F. No. 480: A bill for an act relating to workers' compensation; requiring appointment of guardians and conservators for minors and incapacitated persons; amending Minnesota Statutes 1992, sections 176.091; 176.111, subdivision 5; and 176.521, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 176; and 525.

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

Ms. Berglin introduced—

S.F. No. 481: A bill for an act relating to patient rights; providing patients with the option to disclose their presence in a facility; amending Minnesota Statutes 1992, sections 144.651, subdivisions 21 and 26; and 253B.03, subdivisions 3 and 4.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 482: A bill for an act relating to taxation; property; expanding certain commercial/industrial confession of judgment eligibility; amending Minnesota Statutes 1992, section 279.37, subdivision 1a.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam and Lessard introduced—

S.F. No. 483: A bill for an act relating to game and fish; allowing all big game to be taken under a crossbow permit for hunters with disabilities; amending Minnesota Statutes 1992, section 97B.106.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard, Sams, Vickerman, Mrs. Pariseau and Mr. Stumpf introduced—

S.F. No. 484: A bill for an act relating to natural resources; establishing a youth preference for selecting persons eligible to take antlerless deer; appropriating money; amending Minnesota Statutes 1992, section 97B.305.

Referred to the Committee on Environment and Natural Resources.

Mr. Neuville introduced—

S.F. No. 485: A bill for an act relating to the city of Faribault; providing for the civil service status of certain officers.

Referred to the Committee on Metropolitan and Local Government.

Mr. Neuville, Mmes. Pariseau and Benson, J.E. introduced—

S.F. No. 486: A bill for an act relating to education; removing a restriction on which districts may levy for late activity transportation; providing for a makeup late activity transportation levy; amending Minnesota Statutes 1992, section 124.226, subdivision 9.

Referred to the Committee on Education.

Messrs. Janezich and Johnson, D.J. introduced—

S.F. No. 487: A bill for an act relating to natural resources; requiring that iron mines and production facilities be maintained in salable operating condition; proposing coding for new law in Minnesota Statutes, chapter 93.

Referred to the Committee on Environment and Natural Resources.

Messrs. Janezich and Johnson, D.J. introduced—

S.F. No. 488: A bill for an act relating to housing; limiting payment of loan balances by heirs and devisees of deceased borrowers; amending Minnesota Statutes 1992, section 462A.05, subdivision 14a.

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

Mr. Johnson, D.J. introduced—

S.F. No. 489: A bill for an act relating to the city of Duluth; authorizing the Duluth housing and redevelopment authority to levy a property tax under general law; providing that a certain tax be listed on tax statements as a port authority levy; amending Minnesota Statutes 1992, sections 469.033, subdivision 6; and 469.053, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Price and Laidig introduced—

S.F. No. 490: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land that borders public water in Washington county to the city of Oakdale.

Referred to the Committee on Environment and Natural Resources.

Mr. Price introduced—

S.F. No. 491: A bill for an act relating to the city of Oakdale; authorizing the city to annex certain properties acquired by the Minnesota department of transportation in Washington county for right-of-way purposes.

Referred to the Committee on Metropolitan and Local Government.

Mr. Marty, Ms. Ranum and Mr. Finn introduced—

S.F. No. 492: A bill for an act relating to government data practices; prohibiting the release of motor vehicle or driver's license data for commercial purposes; amending Minnesota Statutes 1992, section 13.69, by adding a subdivision.

Referred to the Committee on Judiciary.

Messrs. Johnson, D.E.; McGowan; Mrs. Pariseau and Mr. Laidig introduced—

S.F. No. 493: A bill for an act proposing an amendment to the Minnesota

Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Metzen introduced—

S.F. No. 494: A bill for an act relating to crime; authorizing school officials to use reasonable force to prevent the official, a student, or other school officials from suffering substantial or great bodily harm or death; providing criminal and civil immunity for the use of such reasonable force; providing felony penalties for unlawfully possessing a firearm or dangerous weapon on school property or in certain school buses; amending Minnesota Statutes 1992, sections 609.06; 609.066, subdivision 3; and 609.66, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Solon and Johnson, D.J. introduced—

S.F. No. 495: A bill for an act relating to the city of Duluth; authorizing the transfer of money from the gas division account in the public utility fund to the general fund; authorizing the transfer of money from the steam division account of the public utility fund to the general fund; amending Laws 1951, chapter 507, section 1, as amended; and Laws 1979, chapter 113, section 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Betzold and Ms. Piper introduced—

S.F. No. 496: A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

Referred to the Committee on Family Services.

Messrs. Murphy, Chandler, Mses. Reichgott, Johnston and Mr. Chmielewski introduced—

S.F. No. 497: A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Messrs. Murphy, Sams, Vickerman and Dille introduced—

S.F. No. 498: A bill for an act relating to agriculture; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, section 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42.

Referred to the Committee on Agriculture and Rural Development.

Mr. Janezich introduced—

S.F. No. 499: A bill for an act relating to game and fish; issuance of antlerless deer permits to certain elderly residents; amending Minnesota Statutes 1992, section 97A.451, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Johnson, D.J.; Moe, R.D.; Ms. Berglin, Messrs. Sams and Janezich introduced—

S.F. No. 500: A bill for an act relating to human services; requiring inflationary salary adjustments for personnel at day activity centers and intermediate care facilities for mentally retarded; appropriating money; amending Minnesota Statutes 1992, sections 252.24, subdivision 5; and 256B.501, subdivision 3c.

Referred to the Committee on Health Care.

Mr. Janezich introduced—

S.F. No. 501: A bill for an act relating to counties; providing procedures for the combination of the offices of auditor and treasurer; amending Minnesota Statutes 1992, section 375A.10, subdivision 5.

Referred to the Committee on Metropolitan and Local Government.

Mr. Mondale, Ms. Johnson, J.B.; Messrs. Merriam; Benson, D.D. and Novak introduced—

S.F. No. 502: A bill for an act relating to health; asbestos abatement; modifying provisions relating to asbestos-related work, licenses, and fees; providing penalties; amending Minnesota Statutes 1992, sections 326.71, subdivisions 3, 4, 5, 6, 8, and by adding subdivisions; 326.72; 326.73; 326.74; 326.75; 326.76; 326.78; 326.785; 326.79; 326.80; and 326.81; repealing Minnesota Statutes 1992, sections 326.71, subdivision 7.

Referred to the Committee on Health Care.

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

S.F. No. 503: A bill for an act relating to education; requiring post-secondary systems to develop and implement plans for career counseling; requiring employment potential placement tracking and reports; proposing coding for new law in Minnesota Statutes, chapter 135A.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 504: A bill for an act relating to game and fish; authorizing limited use of snowmobiles to transport deer carcasses; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler; Moe, R.D.; Luther; Ms. Krentz and Mrs. Benson, J.E. introduced—

S.F. No. 505: A bill for an act relating to welfare reform; creating a commission to review welfare and public assistance policy and legislation; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Family Services.

Ms. Kiscaden and Mr. Benson, D.D. introduced—

S.F. No. 506: A bill for an act relating to human services; establishing a pilot project to provide community-based short-term alternative services to persons with mental retardation and related conditions in Olmsted county.

Referred to the Committee on Health Care.

Messrs. Stumpf and Finn introduced—

S.F. No. 507: A bill for an act relating to education; increasing secondary sparsity revenue; amending Minnesota Statutes 1992, section 124A.22, subdivision 6.

Referred to the Committee on Education.

Messrs. Riveness, Belanger and Ms. Wiener introduced—

S.F. No. 508: A bill for an act relating to metropolitan airports commission; providing for additional commissioners; amending Minnesota Statutes 1992, section 473.604, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Murphy; Langseth; Johnson, D.E.; Dille and Ms. Krentz introduced—

S.F. No. 509: A bill for an act relating to education; revising the mailing requirement for notices of referendum revenue authorization elections; amending Minnesota Statutes 1992, section 124A.03, subdivision 2.

Referred to the Committee on Education.

Ms. Reichgott, Mr. Johnson, D.J.; Mses. Pappas, Flynn and Olson introduced—

S.F. No. 510: A bill for an act relating to taxation; updating references to the Internal Revenue Code; providing for authorization to make taxable sales; changing and providing sales and use tax exemptions; changing certain payment dates; providing for tax compliance, collection, and enforcement; changing or adding powers and duties of the commissioner of revenue; providing for taxation of liquefied petroleum gas sales; providing for income and franchise tax treatment of certain Indian tribal obligations; providing for reimbursement of certain costs; changing definitions; providing for exchange or disclosure of data; providing for interest; changing or imposing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 115B.22, subdivision 7; 239.785; 270.06; 270.07, subdivision 3; 270.70, subdivision 1; 270B.01, subdivision 8;

270B.08, subdivisions 1 and 2; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 289A.11, subdivision 1; 289A.18, subdivision 4; 289A.20, subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivisions 3 and 7; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 289A.63, subdivision 3, and by adding a subdivision; 290.01, subdivisions 7, 19, 19a, and 19c; 290.0921, subdivision 3; 290.92, subdivision 23; 290A.03, subdivisions 3, 7, and 8; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.14, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6 and 16; 297A.04; 297A.041; 297A.06; 297A.065; 297A.07, subdivisions 1, 2, and 3; 297A.10; 297A.11; 297A.14, subdivision 1; 297A.15, subdivisions 1 and 4; 297A.21, subdivisions 3, 4, 5, and 6; 297A.25, subdivision 41, and by adding a subdivision; 297A.255, subdivisions 2 and 3; 297B.10; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; and 473.843, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1992, section 115B.24, subdivision 10.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Morse, Knutson, Larson, Janezich and Ms. Krentz introduced—

S.F. No. 511: A bill for an act relating to education; authorizing certain contracts with school board members; amending Minnesota Statutes 1992, section 471.88, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Novak, Chandler, Ms. Johnson, J.B.; Mr. Johnson, D.J. and Ms. Runbeck introduced—

S.F. No. 512: A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes 1992, sections 237.01, subdivision 2, and by adding a subdivision; 237.60, subdivision 3; and 237.68, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, subdivision 7.

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

Messrs. Betzold, Luther, Mses. Berglin and Reichgott introduced—

S.F. No. 513: A bill for an act relating to marriage dissolution; maintenance; permitting delinquent maintenance payments to be withheld from certain tax refunds; amending Minnesota Statutes 1992, section 289A.50, subdivision 5.

Referred to the Committee on Judiciary.

Ms. Anderson, Messrs. Kelly, Novak, Kroening and Frederickson introduced—

S.F. No. 514: A bill for an act relating to housing; appropriating money for operating costs of transitional housing.

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

Mr. Novak introduced—

S.F. No. 515: A bill for an act relating to taxation; clarifying credit on tax of certain fuel for vehicles used for school-related activities; amending Minnesota Statutes 1992, section 296.02, subdivision 8.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Murphy and Dille introduced—

S.F. No. 516: A bill for an act relating to agriculture; repealing the hay and straw standards law; repealing Minnesota Statutes 1992, sections 25.46; and 25.47.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Mondale, Metzen, Ms. Ranum, Messrs. Riveness and Terwilliger introduced—

S.F. No. 517: A bill for an act relating to transportation; establishing Minnesota paratransit commission; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Ms. Ranum, Messrs. Knutson, Beckman, Pogemiller and Ms. Reichgott introduced—

S.F. No. 518: A bill for an act relating to education; providing students with school breakfast and school lunch programs; appropriating money; amending Minnesota Statutes 1992, section 124.646, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Stumpf, Riveness and Morse introduced—

S.F. No. 519: A bill for an act relating to retirement; administrative changes and age discrimination act compliance by the Minnesota state retirement system and the public employees retirement association; coverage of fire inspectors, investigators, or marshals by the public employees police and fire fund; optional annuities and benefits payable by the teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, 11, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, 7, 12, and by adding a subdivision; 352.115, subdivision 8; 352.12, subdivisions 1, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01,



subdivision 3; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1; 2, and 5; 352B.101; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding a subdivision; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1, 3, 5a, and 9; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353.71, subdivision 1; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivision 1; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352.94, subdivision 2; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352C.021, subdivision 3; 352D.05, subdivision 5; and 353.656, subdivision 6.

Referred to the Committee on Governmental Operations and Reform.

Mr. Solon introduced—

S.F. No. 520: A bill for an act relating to retirement; public employees retirement association; removing the five-year limitation on the payment of contributions to receive allowable service for an authorized leave of absence to enter military service; amending Minnesota Statutes 1992, section 353.01, subdivision 16.

Referred to the Committee on Governmental Operations and Reform.

Mr. Hottinger, Mses. Flynn, Berglin, Messrs. Stumpf and Benson, D.D. introduced—

S.F. No. 521: A bill for an act relating to health; permitting minors to give consent for a hepatitis B vaccination; establishing procedures and programs relating to tuberculosis; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health Care.

Messrs. Solon; Johnson, D.J.; Janezich; Chmielewski and Lessard introduced—

S.F. No. 522: A bill for an act relating to the University of Minnesota; authorizing the establishment of an endowed chair in taconite research; amending Minnesota Statutes 1992, section 137.022, by adding a subdivision.

Referred to the Committee on Education.

Mr. Johnson, D.E. introduced—

S.F. No. 523: A bill for an act relating to capital improvements; authorizing bonds and appropriating money to acquire land in and for Sibley state park.

Referred to the Committee on Environment and Natural Resources.

Ms. Flynn, Mr. Kroening, Ms. Berglin and Mr. Pogemiller introduced—

S.F. No. 524: A bill for an act relating to local government; authorizing the city of Minneapolis, special school district No. 1, the city library board, and the city park and recreation board to impose residency requirements.

Referred to the Committee on Metropolitan and Local Government.

Mr. Betzold introduced—

S.F. No. 525: A bill for an act relating to public employment; modifying provisions relating to contracting-out of services; amending Minnesota Statutes 1992, section 179A.23.

Referred to the Committee on Governmental Operations and Reform.

Mr. Stumpf introduced—

S.F. No. 526: A bill for an act relating to education; changing the definition of "high school" for secondary sparsity revenue purposes; amending Minnesota Statutes 1992, section 124A.22, subdivision 5.

Referred to the Committee on Education.

Messrs. Finn; Moe, R.D. and Stumpf introduced—

S.F. No. 527: A bill for an act relating to human services; providing for reimbursement of certain county welfare costs, for services provided to residents of the Red Lake Indian reservation; appropriating money; amending Minnesota Statutes 1992, section 245.765, subdivision 1.

Referred to the Committee on Family Services.

Mr. Hottinger introduced—

S.F. No. 528: A bill for an act relating to retirement; authorizing a second chance Medicare coverage referendum for certain public pension plan members.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Novak, Metzen, Mses. Runbeck, Krentz and Mr. Kelly introduced—

S.F. No. 529: A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; amending Minnesota Statutes 1992, section 473.167, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Solon, Samuelson, Riveness, Ms. Piper and Mr. Benson, D.D. introduced—

S.F. No. 530: A bill for an act relating to medical assistance; increasing reimbursement rates for special transportation; appropriating money; amending Minnesota Statutes 1992, section 256B.0625, subdivision 17.

Referred to the Committee on Health Care.

Messrs. Beckman, Stumpf, Sams, Ms. Johnson, J.B. and Mr. Stevens introduced—

S.F. No. 531: A bill for an act relating to state government; authorizing state agencies to enter into contracts with regional organizations; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Finn, Betzold, Knutson, Meses. Reichgott and Berglin introduced—

S.F. No. 532: A bill for an act relating to courts; conciliation court; adopting one body of law to govern conciliation courts; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 487.30; 488A.12; 488A.13; 488A.14; 488A.15; 488A.16; 488A.17; 488A.29; 488A.30; 488A.31; 488A.32; 488A.33; and 488A.34; and Laws 1992, chapter 591, section 21.

Referred to the Committee on Judiciary.

Messrs. Beckman, Sams, Stumpf and Stevens introduced—

S.F. No. 533: A bill for an act relating to education; changing the formula for general education revenue reduction for large fund balances; allocating the reduction among operating funds; amending Minnesota Statutes 1992, section 124A.26, subdivision 1, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Berg introduced—

S.F. No. 534: A bill for an act relating to agriculture; abolishing the right of first refusal; technical changes; amending Minnesota Statutes 1992, sections 327C.095, subdivision 6; and 550.42, subdivision 1; repealing Minnesota Statutes 1992, section 500.24, subdivisions 6 and 7.

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

Mr. Berg introduced—

S.F. No. 535: A bill for an act relating to agriculture; ownership of farm land; modifying the definition of authorized farm corporation; amending Minnesota Statutes 1992, section 500.24, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Finn, Solon and Lessard introduced—

S.F. No. 536: A bill for an act relating to sheriffs; duty to investigate snowmobile accidents; amending Minnesota Statutes 1992, section 387.03, is amended to read:

Referred to the Committee on Crime Prevention.

Ms. Runbeck, Messrs. Kelly, Chandler, Ms. Lesewski and Mr. Terwilliger introduced—

S.F. No. 537: A bill for an act relating to economic development; providing for creation of enterprise zones; providing incentives for business to locate within an enterprise zone; proposing coding for new law in Minnesota Statutes, chapter 469.

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

Ms. Lesewski, Messrs. Oliver, Larson, Knutson and Mrs. Pariseau introduced—

S.F. No. 538: A bill for an act relating to crime; providing mandatory minimum prison sentences for robberies involving an occupied motor vehicle; amending Minnesota Statutes 1992, sections 609.24; and 609.245.

Referred to the Committee on Crime Prevention.

Messrs. Neuville, Stevens and Benson, D.D. introduced—

S.F. No. 539: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Messrs. Neuville and Benson, D.D. introduced—

S.F. No. 540: A bill for an act relating to human services; providing an exception to the moratorium on the development of group residential housing beds; amending Minnesota Statutes 1992, section 256I.04, subdivision 3.

Referred to the Committee on Health Care.

Ms. Runbeck, Messrs. Frederickson and Stevens introduced—

S.F. No. 541: A bill for an act relating to education; changing the prohibition against starting the school year from before Labor day to before September 1; amending Minnesota Statutes 1992, section 126.12, subdivision 1.

Referred to the Committee on Education.

Messrs. Sams, Day, Samuelson, Morse and Bertram introduced—

S.F. No. 542: A bill for an act relating to agriculture; providing a "Minnesota extra" category of dairy products; proposing coding for new law in Minnesota Statutes, chapter 32.

Referred to the Committee on Agriculture and Rural Development.

Mses. Krentz, Pappas, Messrs. Solon, Price and Morse introduced—

S.F. No. 543: A bill for an act relating to education; modifying the formula for individualized learning and development aid; modifying the referendum market value tax base; increasing training and experience revenue; creating a state aid for teacher retirement; increasing the general education formula allowance; increasing staff development revenue; appropriating money; amending Minnesota Statutes 1992, sections 124.332, subdivision 2; 124A.03, subdivision 2a; 124A.04, subdivision 2; 124A.22, subdivisions 1, 2, 4, 4a, and 8, and by adding subdivisions; 124A.29, subdivision 1; and 126.70, subdivision 1; Laws 1992, chapter 499, article 7, section 27, subdivision 1.

Referred to the Committee on Education.

Messrs. Murphy, Vickerman, Ms. Johnson, J.B.; Messrs. Samuelson and Moe, R.D. introduced—

S.F. No. 544: A bill for an act relating to labor; providing that certain acts are an unfair labor practice; amending Minnesota Statutes 1992, sections 179.12; and 179A.13, subdivision 2.

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

Mr. Morse introduced—

S.F. No. 545: A bill for an act relating to retirement; expanding coordinated plan survivor coverage benefits for certain public employees and teachers; amending Minnesota Statutes 1992, sections 352.01, by adding a subdivision; 352.12, subdivision 2, and by adding subdivisions; 353.01, subdivision 15, and by adding a subdivision; 353.32, subdivision 1a, and by adding subdivisions; 354.05, subdivision 8, and by adding a subdivision; 354.46, subdivisions 2, 5, and by adding subdivisions; 354A.011, by adding a subdivision; and 354A.35, subdivision 2, and by adding subdivisions.

Referred to the Committee on Governmental Operations and Reform.

Ms. Berglin, Messrs. Johnson, D.J.; Samuelson and Benson, D.D. introduced—

S.F. No. 546: A bill for an act relating to the physician license surcharge; requiring the commissioner of human services to seek a waiver to exclude certain physicians; amending Minnesota Statutes 1992, sections 147.02, subdivision 1; and 256.9657, by adding subdivisions.

Referred to the Committee on Health Care.

Ms. Olson introduced—

S.F. No. 547: A bill for an act relating to waters; requiring identification and inspection of watercraft operated in zebra mussel infested waters; authorizing fines for violations; proposing coding for new law in Minnesota Statutes, chapter 86B.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck, Messrs. Benson, D.D.; Neuville and Oliver introduced—

S.F. No. 548: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; placing limits on the terms of office of legislators and executive officers.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Johnston, Mrs. Pariseau, Messrs. Janezich, Chmielewski and Ms. Runbeck introduced—

S.F. No. 549: A bill for an act relating to health; establishing a statewide program for the prevention of Lyme disease; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Health Care.

### MEMBERS EXCUSED

Mr. Chmielewski, Ms. Hanson and Mr. Langseth were excused from the Session of today. Ms. Runbeck was excused from the Session of today from 9:30 to 9:55 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 1, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## EIGHTEENTH DAY

St. Paul, Minnesota, Monday, March 1, 1993

The Senate met at 11:00 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Glenn Taibl.

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

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.

February 24, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### BOARD ON JUDICIAL STANDARDS

Virginia Ward, 712 Linwood Ave., St. Paul, Ramsey County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Judiciary.)

Warmest regards,  
Arne H. Carlson, Governor

#### 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. 79 and 358.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted February 25, 1993

#### FIRST READING OF HOUSE BILLS

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

H.F. No. 79: A bill for an act relating to courts; grandparent visitation; clarifying that visitation may be sought after completion of proceedings for dissolution, custody, legal separation, annulment, or parentage; amending Minnesota Statutes 1992, sections 257.022, subdivision 2; and 518.175, subdivision 7.

Referred to the Committee on Judiciary.

H.F. No. 358: 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 1992, sections 3.9741; 10A.01, subdivision 18; 10A.49, subdivisions 2 and 3; 11A.23, subdivision 1; 13.32, subdivisions 3 and 5; 13.791; 13.99, subdivision 82; 16B.06, subdivision 2a; 18C.551, subdivision 3; 43A.317, subdivision 9; 60A.74, subdivision 6; 62A.44, subdivision 2; 62J.21; 65B.09, subdivision 1; 79.251, subdivision 6; 79A.01, subdivision 1; 80C.18, subdivision 1; 80E.09, subdivision 2; 86B.321, subdivision 1; 103G.293; 116R.01, subdivision 6; 120.064, subdivision 6; 123.39, subdivision 8d; 144.878, subdivision 2; 148B.06, subdivision 2; 148C.11, subdivision 4; 168.187, subdivision 26; 169.797, subdivision 1; 240.011; 245A.18; 256B.0644; 256B.19, subdivision 1a; 268.071, subdivision 3; 289A.20, subdivision 4; 290.9201, subdivision 7; 290A.03, subdivision 13; 325E.0681, subdivision 9; 326.43; 349.151, subdivision 2; 349.19, subdivision 6; 349.31, subdivision 1; 352.03, subdivision 16; 352C.021, subdivision 6; 357.11; 471.617, subdivision 1; 473.516, subdivision 1; 473.704, subdivi-



vision 17; 473.811, subdivisions 6, 7, 8, and 9; 475.66, subdivision 3; 477A.13; 480.15, subdivision 9; 480.059, subdivision 7; 525.9221; 551.04, subdivision 14; 600.02; 609.3471; 626.556, subdivision 10; and 626.861, subdivision 3; repealing Minnesota Statutes 1992, sections 61A.011, subdivision 8; 240.01, subdivision 14; 240.011, subdivision 1; 334.011, subdivision 4; and 480.0591, subdivision 3; Laws 1991, chapter 254, article 3, section 21.

Referred to the Committee on Judiciary.

### REPORTS OF COMMITTEES

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

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was re-referred

S.F. No. 169: A bill for an act relating to appropriations; providing for deficiencies in state appropriations; appropriating money.

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

Delete everything after the enacting clause and insert:

“Section 1. HIGHER EDUCATION  
COORDINATING BOARD;  
DEFICIENCY APPROPRIATION

\$3,000,000 is appropriated from the general fund to the higher education coordinating board for fiscal year 1993.

This appropriation is added to the appropriation in Laws 1991, chapter 356, article 1, section 2, subdivision 4, so that the higher education coordinating board may make full student grant awards for fiscal year 1993.

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 appropriations; appropriating money to the higher education coordinating board.”

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

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 158: A bill for an act relating to education; extending the time for the Roseau school district to enter into construction contracts.

Report 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 1992, section 124.431, subdivision 1, is amended to read:

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. *The commissioner may grant an extension of up to 12 additional months if the recipient school district demonstrates to the commissioner's satisfaction that the project for which the loan was granted is scheduled to be completed in a timely manner.*

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 education; extending the time for school districts that have received capital loans to enter into construction contracts; amending Minnesota Statutes 1992, section 124.431, subdivision 1.”

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 300: A bill for an act relating to local government; permitting sheriff civil service commissions to expand eligible lists in certain circumstances; amending Minnesota Statutes 1992, section 387.36.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 277: A bill for an act relating to local government; creating the office of Anoka county coroner; appointing a physician as county coroner; appointing assistant coroners; designating deputy coroners; establishing the duties of the coroner.

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

Page 7, line 5, delete everything after “*enactment*”

Page 7, line 6, delete everything before the period

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

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

S.F. No. 41: A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 6a, 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 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 1992, section 168A.01, is amended by adding a subdivision to read:

*Subd. 8b. [JUNKING CERTIFICATE.] “Junking certificate” means a receipt issued by the department’s driver and vehicle services division when a vehicle is declared unrepairable under section 168A.151.*

Sec. 2. Minnesota Statutes 1992, section 168A.01, subdivision 17a, is amended to read:

*Subd. 17a. [SALVAGE TITLE.] “Salvage title” means a certificate of title that is issued to a vehicle ~~graded and stamped as declared a “class C”~~ repairable total loss vehicle under section 168A.151 and includes an existing certificate of title that has been stamped with the legend “salvage certificate of title” in accordance with section 168A.151.*

Sec. 3. Minnesota Statutes 1992, section 168A.01, subdivision 17b, is amended to read:

*Subd. 17b. [SALVAGE VEHICLE.] “Salvage vehicle” means a vehicle that has been ~~graded and stamped under section 168A.151~~ a salvage certificate of title.*

Sec. 4. Minnesota Statutes 1992, section 168A.04, subdivision 1, is amended to read:

*Subdivision 1. [CONTENTS.] The application for the first certificate of title of a vehicle in this state shall be made by the owner to the department on the form prescribed by the department and shall contain:*

(1) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(2) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, and whether new or used;

(3) the date of purchase by applicant, the name and address of the person from whom the vehicle was acquired, the names and addresses of any secured parties in the order of their priority, and the dates of their respective security agreements;

(4) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(5) with respect to vehicles subject to ~~sections~~ section 325F.6641 and ~~325F.6642~~, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of the actual cash value; and

(6) any further information the department reasonably requires to identify the vehicle and to enable it to determine whether the owner is entitled to a certificate of title, and the existence or nonexistence and priority of any security interest in the vehicle.

Sec. 5. Minnesota Statutes 1992, section 168A.04, subdivision 4, is amended to read:

Subd. 4. [VEHICLE LAST REGISTERED OUT OF STATE.] If the application refers to a vehicle last previously registered in another state or country, the application shall contain or be accompanied by:

(1) any certificate of title issued by the other state or country;

(2) any other information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of any security interest in it;

(3) the certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires; and

(4) with respect to vehicles subject to ~~sections~~ section 325F.6641 and ~~325F.6642~~, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of actual cash value.

Sec. 6. Minnesota Statutes 1992, section 168A.05, subdivision 3, is amended to read:

Subd. 3. [CONTENT OF CERTIFICATE.] Each certificate of title issued by the department shall contain:

(1) the date issued;

(2) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(3) the names and addresses of any secured parties in the order of priority as shown on the application, or if the application is based on a certificate of title, as shown on the certificate, or as otherwise determined by the department;

(4) the title number assigned to the vehicle;

(5) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;

(6) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the

actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(7) with respect to vehicles subject to sections 325F.6641 and 325F.6642, the appropriate term "flood damaged," "rebuilt," "prior salvage," or "reconstructed"; and

(8) any other data the department prescribes.

Sec. 7. Minnesota Statutes 1992, section 168A.05, subdivision 5, is amended to read:

Subd. 5. [ASSIGNMENT AND WARRANTY OF TITLE FORMS.] The certificate of title shall contain forms for assignment and warranty of title by the owner, and for assignment and warranty of title by a dealer, and shall contain forms for applications for a certificate of title by a transferee, and the naming of a secured party, and shall include language necessary to implement sections section 325F.6641 and 325F.6642.

Sec. 8. Minnesota Statutes 1992, section 168A.15, is amended to read:

168A.15 [RECONSTRUCTED, SCRAPPED, DISMANTLED, OR DESTROYED VEHICLES.]

Subd. 2. [REQUIREMENTS TO OBTAIN CERTIFICATE FOR RECONSTRUCTED VEHICLE.] If a vehicle is altered so as to become a reconstructed vehicle, the owner shall apply for a certificate of title to the reconstructed vehicle in the manner provided in section 168A.04, and any existing certificate of title to the vehicle shall be surrendered for cancellation.

Subd. 3. [SCRAPPED, DISMANTLED, OR DESTROYED VEHICLE.] *An owner who scraps, dismantles, or destroys a vehicle, or a person who purchases a vehicle as scrap or to be dismantled or destroyed, shall immediately have the certificate of title mailed or delivered to the department for cancellation. A certificate of title for the vehicle shall not again be issued.*

Sec. 9. Minnesota Statutes 1992, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. [INSURERS SALVAGE TITLES.] When an insurer, licensed to conduct business in Minnesota, acquires ownership of a late model or high value vehicle through payment of damages, the insurer shall ~~stamp and grade the assigned~~ immediately apply for a salvage certificate of title as required under subdivision 3 and comply with all requirements of this chapter, or shall stamp the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in a manner prescribed by the department. Within 48 hours of taking possession of a vehicle through payment of damages, an insurer must notify the department in a manner prescribed by the department.

*Any person who acquires a damaged motor vehicle with an out-of-state title and the cost of repairs exceeds the value of the damaged vehicle or a motor vehicle with an out-of-state salvage title or certificate, as proof of ownership, shall immediately apply for a salvage certificate of title. A self insured owner of a late model or high value vehicle who sustains a loss to the vehicle through collision or other occurrence which is not economical to repair shall immediately apply for a salvage certificate of title.*

Sec. 10. Minnesota Statutes 1992, section 168A.151, subdivision 4, is amended to read:

Subd. 4. [~~OTHER OWNERS JUNKING CERTIFICATE REQUIRED.~~] When a person other than a dealer or insurer acquires ownership of a late model or high value vehicle that is a "class C" *an unrepairable total loss vehicle*, the person shall surrender the assigned certificate of title to the department and apply for a salvage junking certificate of title.

Sec. 11. Minnesota Statutes 1992, section 168A.151, is amended by adding a subdivision to read:

Subd. 6. [AUTHORITY UNDER JUNKING CERTIFICATE.] *A junking certificate authorizes the holder only to possess and transport the vehicle, except that a salvage pool or insurance company, or its agent, may sell an unrepairable total loss vehicle with a junking certificate to a licensed used parts dealer.*

Sec. 12. Minnesota Statutes 1992, section 168A.152, is amended by adding a subdivision to read:

Subd. 1a. [DUTIES OF SALVAGE VEHICLE PURCHASER.] *No salvage vehicle purchaser shall possess or retain a salvage vehicle which does not have a salvage certificate of title. The salvage vehicle purchaser shall display the salvage certificate of title upon the request of any appropriate public authority.*

Sec. 13. Minnesota Statutes 1992, section 325F.6641, subdivision 1, is amended to read:

Subdivision 1. [DAMAGE.] (a) *If a motor vehicle has sustained damage by collision or other occurrence which exceeds 70 percent of its actual cash value so that the vehicle becomes a class C total loss vehicle immediately prior to sustaining damage, the seller must disclose that fact to the buyer, if the seller has actual knowledge of the damage. The amount of damage is determined by the retail cost of repairing the vehicle based on a complete written retail repair estimate or invoice.*

(b) *The disclosure required under this subdivision must be made in writing on the application for title and registration or other transfer document, in a manner prescribed by the registrar of motor vehicles. The registrar shall revise the certificate of title form, including the assignment by seller (transferor) and reassignment by licensed dealer sections of the form, the separate application for title forms, and other transfer documents to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to section 168.27, the disclosure required by this section must be made orally by the dealer to the prospective buyer in the course of the sales presentation.*

(c) *Upon transfer and application for title to a vehicle covered by this subdivision, the registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.*

Sec. 14. Minnesota Statutes 1992, section 325F.6642, subdivision 1, is amended to read:

Subdivision 1. [FLOOD DAMAGE.] *If the application for title and registration indicates that the vehicle has been classified as a class B or C total loss vehicle because of water or flood damage, the registrar of motor vehicles shall record the term "flood damaged" on the certificate of title and all subsequent certificates of title issued for that vehicle.*

Sec. 15. Minnesota Statutes 1992, section 325F.6642, subdivision 2, is amended to read:

Subd. 2. [CLASS C TOTAL LOSS VEHICLES.] Upon transfer and application for title to all class C total loss vehicles, the registrar of motor vehicles shall record the term "~~rebuild~~ prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

Sec. 16. Minnesota Statutes 1992, section 325F.6642, subdivision 3, is amended to read:

Subd. 3. [OUT-OF-STATE VEHICLES.] (a) Upon transfer and application for title of all repaired vehicles with out-of-state titles that bear the term "damaged," "salvage," "~~rebuild~~," "reconditioned," or any similar term, the registrar of motor vehicles shall record the term "~~rebuild~~ prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

(b) The registrar shall mark "~~rebuild~~ prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle which came into the state unrepaired and for which a salvage certificate of title was issued unless the person applying for the Minnesota title offers proof satisfactory to the registrar that the vehicle did not sustain damage equivalent to the 70 percent standard set forth in this section. The proof shall include photographs of the vehicle and either an insurance adjuster's written report or a written repair estimate which details the parts and labor required to repair the vehicle. The photographs and other documents submitted as proof under this subdivision must be filed and retained by the registrar so as to permit verification of the proof offered.

(c) For vehicles with out-of-state titles which bear the term "flood damaged," the registrar of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle.

(d) The registrar shall mark "prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle that had a salvage certificate of title issued at any time in the vehicle's history by any other jurisdiction.

Sec. 17. Minnesota Statutes 1992, section 325F.6642, subdivision 5, is amended to read:

Subd. 5. [MANNER OF BRANDING.] The designation of "flood damaged," "rebuild," "prior salvage," or "reconstructed" on a certificate of title shall be made by the registrar of motor vehicles in a clear and conspicuous manner, in a color different from all other writing on the certificate of title.

Sec. 18. Minnesota Statutes 1992, section 325F.6642, subdivision 6, is amended to read:

Subd. 6. [CLASS C TOTAL LOSS VEHICLE; DEFINITION.] For the purposes of this section, a class C "total loss vehicle" means a vehicle, damaged by collision or other occurrence, for which a salvage certificate of title has been issued and vehicles with damage of at least 70 percent of the vehicle's actual cash value immediately prior to sustaining the damage based

on a written retail repair estimate or invoice, as determined by an insurer or dealer pursuant to section 168A.151 or by comparing an insurer's written retail repair estimate of damage or actual loss payout to the average trade-in value of the vehicle according to the National Automobile Dealers Association's Official Used Car Guide or other similar publication approved by the registrar. Total loss vehicle does not include a stolen and recovered vehicle verified by the insurer who declared the vehicle to be a total loss vehicle unless there is more than minimal damage to the vehicle as determined by the registrar.

Sec. 19. Minnesota Statutes 1992, section 325F.6644, is amended to read:

325F.6644 [APPLICATION.]

Sections 325F.6641 and 325F.6642 do not apply to vehicles that are six years old or older as calculated from the first day of January of the designated model year or to commercial motor vehicles with a gross vehicle rating of 26,000 16,000 pounds or more or to motorcycles.

Sec. 20. [REPEALER.]

Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5, are repealed.

Sec. 21. [EFFECTIVE DATE.]

*This act is effective 30 days after final enactment.*

Delete the title and insert:

"A bill for an act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 168A.152, by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 1, 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5."

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

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

S:F No. 141: A bill for an act relating to uniform acts; enacting Minnesota Common Interest Ownership Act; amending Minnesota Statutes 1992, sections 308A.011, subdivision 1; 500.20, subdivision 2a; 508.71, by adding a subdivision; and 541.023, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 515B.

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

Page 2, line 8, after the second semicolon, insert "*515B.1-116 (Recording);*"

Page 2, line 12, after the first semicolon, insert "*515B.3-110 (Voting; Proxies);*"



Page 2, line 13, after the second semicolon, insert “515B.3-117 (Other Liens);”

Page 2, line 14, after the first semicolon, insert “515B.3-121 (Accounting Controls);”

Page 2, line 15, after the semicolon, insert “515B.4-116 (Rights of Action; Attorney’s Fees);”

Page 4, line 1, before “This” insert “Except as otherwise provided in this subsection,”

Page 4, line 12, after “community” insert “or cooperative” and after “where” insert “, at the time of creation of the planned community or cooperative,” and after the first “the” insert “unit owners”

Page 4, line 23, delete everything after “irrigation”

Page 4, line 24, delete everything before the period

Page 4, after line 24, insert:

“Section 515B.1-106 shall apply to all common interest communities.”

Page 6, line 13, after “of” insert a comma

Page 10, line 10, after “the” insert “unit”

Page 10, line 30, after “The” insert “ownership”

Page 18, line 13, after “created” insert “, but not necessarily the units,”

Page 18, line 35, delete “peripheral” and insert “perimeter”

Page 19, line 18; delete “peripheral” and insert “perimeter”

Page 20, lines 4 and 5, delete “common interest community” and insert “unit”

Page 20, line 6, before “a” insert “created under this chapter,”

Page 20, line 20, before “The” insert “(a)”

Page 21, line 16, after the semicolon, insert “and”

Page 21, line 21, delete the second “; and” and insert a period

Page 21, line 22, delete “(13)” and insert “(b) The declaration may contain”

Page 25, line 33, after “515B.2-102” insert “, subsections”

Page 27, line 30, after “515B.2-102” insert “, subsections”

Page 30, line 5, delete “percentage”

Page 30, line 16, after “If” insert “a unit is” and before the comma, insert “other than a declarant”

Page 33, lines 24 and 25, delete “holder of an interest as security for an obligation” and insert “secured party”

Page 34, line 13, delete “, size”

Page 58, lines 22 and 23, delete “*if so stated in the notice and if*” and insert “, subject to (i) any prohibition or requirement contained in the articles of incorporation, bylaws, or declaration and (ii)”

Page 58, line 24, delete “*are satisfied*”

Page 58, line 33, after “*in*” insert “*this chapter,*” and after “*or*” insert “*the*”

Page 72, line 13, delete “*and*” and insert “*or*”

Page 74, line 7, delete the comma

Page 74, line 9, before the period, insert “, and shall not affect the board’s authority to cause a review or audit to be made”

Page 74, lines 24 and 25, delete “*and in accordance with generally accepted auditing standards*”

Page 74, lines 31 and 32, delete “: LIABILITY; WAIVER” and insert “; DELIVERY OF DISCLOSURE STATEMENT”

Page 78, line 33, delete “*among*” and insert “*between*”

Page 86, line 20, delete from “*The*” through page 86, line 22, to “*agreement.*”

Page 86, line 23, after “*information*” insert “*required to be delivered by section 515B.4-107*”

Page 86, line 25, after “*the*” insert “*purchase*”

Page 93, line 19, after “*recover*” insert “*damages,*”

Page 93, lines 21 and 22, delete “*subject to this chapter*”

Page 93, line 26, delete everything after “*of*” and insert “*the unit owners of two or more units.*”

Page 96, line 18, after “*declaration*” insert “*or bylaws*”

Page 96, line 19, after “*under*” insert “*or governed by*”

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

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

S.F. No. 181: A bill for an act relating to limited liability companies; clarifying the application of financial institution, workers’ compensation, unemployment compensation, taxation, and usury laws; modifying certain powers of, and rules applicable to, limited liability companies and their members and affiliates; amending Minnesota Statutes 1992, sections 48.24, subdivisions 1, 7, and 8; 51A.02, subdivision 43; 176.011, subdivision 10; 176.041, subdivisions 1 and 1a; 268.04, subdivisions 7, 9, and by adding a subdivision; 268.161, subdivision 9; 290.92, subdivision 1; 297A.01, subdivision 2; 302A.011, subdivision 25; 302A.161, subdivision 12; 302A.501, subdivision 1; 302A.521, subdivision 1; 302A.551, subdivision 3; 302A.673, subdivision 1; 319A.02, subdivision 7; 322B.03, subdivision 41, and by adding subdivisions; 322B.115, subdivisions 1 and 2; 322B.20, subdivisions 5, 7, 12, 14, and 21; 322B.30, subdivisions 2 and 3; 322B.306, subdivisions

3 and 4; 322B.31, subdivision 3; 322B.313; 322B.316; 322B.373; subdivision 1; 322B.54, subdivision 3; 322B.693, subdivision 1; 322B.696; 322B.699, subdivision 1; 322B.77, subdivisions 1 and 3; 322B.80, subdivision 1, and by adding a subdivision; 322B.873; 322B.91, subdivision 1; 322B.92; 322B.93; 322B.935, subdivisions 2 and 3; and 334.021.

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

Pages 4 to 6, delete section 6

Page 6, line 31, delete the new language

Page 6, delete line 32

Page 6, line 33, delete "(f)"

Page 7, lines 7, 10, 14, and 15, delete the new language

Pages 7 and 8, delete section 8

Page 8, lines 29 and 30, delete "shall not be exclusive."

Page 8, delete section 10

Page 20, line 27, delete "and"

Page 20, line 30, before the period, insert "; and

(20) unanimous consent is required to avoid dissolution (section 322B.80, subdivision 1, clause (5)(B))"

Page 22, after line 32, insert:

"Sec. 32. Minnesota Statutes 1992, section 322B.306, subdivision 1, is amended to read:

Subdivision 1. [MEMBER'S POWER TO TERMINATE MEMBERSHIP.] A member always has the power, though not necessarily the right, to terminate its membership by resigning or retiring at any time. A member's resignation or retirement, whether rightful or wrongful, causes dissolution under section 322B.80, subdivision 1, clause (5), unless dissolution avoidance consent is obtained from the remaining members is avoided under that clause. A member has no power to transfer all or part of the member's membership interest, except as provided in sections 322B.31 and 322B.313."

Page 23, line 3, strike "through dissolution avoidance consent" and insert "under that clause"

Page 23, line 9, strike "through dissolution avoidance"

Page 23, line 10, strike "consent" and insert "under that clause"

Page 25, line 3, strike "OF A COMPLETE MEMBERSHIP INTEREST AND"

Page 25, line 6, strike "MEMBERSHIP INTERESTS" and insert "GOVERNANCE RIGHTS"

Page 25, line 7, strike "A member may assign the member's" and delete "complete"

Page 25, strike lines 8 and 9

Page 25, line 10, strike "same assignee of all the member's financial rights."

Page 27, after line 30, insert:

"Sec. 38. Minnesota Statutes 1992, section 322B.323, subdivision 2, is amended to read:

Subd. 2. [WHEN MEMBERSHIP IS TERMINATED.] If an event referred to in subdivision 1 causes the termination of a member's membership interest and ~~the remaining members give dissolution avoidance consent is avoided under section 322B.80, subdivision 1, clause (5), then:~~

(1) as provided in section 322B.306, subdivision 3, the terminated member's interest will be considered to be merely that of an assignee of the financial rights owned before the termination of membership; and

(2) the rights to be exercised by the legal representative of the terminated member will be limited accordingly."

Page 37, after line 7, insert:

"Sec. 49. [322B.901] [FOREIGN LIMITED LIABILITY PARTNERSHIPS CONSIDERED FOREIGN LIMITED LIABILITY COMPANIES.]

*For the purposes of sections 322B.90 to 322B.955, the term "foreign limited liability company" includes a foreign limited liability partnership organized for profit that is organized under laws other than the laws of this state for a purpose or purposes for which a limited liability company may be organized under this chapter or for which a professional limited liability company may be organized under chapter 319A."*

Page 37, line 13, after "state" insert "a certificate of status from the filing office in the jurisdiction in which the foreign limited liability company is organized and":

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything after the first comma and insert "subdivision 1a; 268.04, subdivision"

Page 1, line 11, delete everything before the semicolon and insert "9"

Page 1, line 20, after the first "subdivisions" insert "1," and after the first "3" insert a comma

Page 1, line 21, after "322B.316;" insert "322B.323, subdivision 2;"

Page 1, line 27, before the period, insert "proposing coding for new law in Minnesota Statutes, chapter 322B"

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

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

S.F. No. 130: A bill for an act relating to children; providing for a recognition of parentage with the force and effect of a paternity adjudication; providing for preparation and distribution of a recognition form and educa-

tional materials for paternity; appropriating money; amending Minnesota Statutes 1992, sections 144.215, subdivision 3; 257.54; 257.541; 257.55, subdivision 1; 257.57, subdivision 2; 257.74, subdivision 1; and 518.156, subdivision 1; 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 1, line 20, delete "7" and insert "8"

Page 2, lines 5, 7, and 33, delete "7" and insert "8"

Page 2, line 36, delete ", if the petition"

Page 3, line 1, delete everything before the third "the" and insert a period

Page 4, lines 16, 20, and 22, delete "7" and insert "8"

Page 5, after line 11, insert:

"Sec. 6. Minnesota Statutes 1992, section 257.73, subdivision 1, is amended to read:

Subdivision 1. Upon compliance with the provisions of section 257.55, subdivision 1, clause (e), section 8, or upon order of a court of this state or upon request of a court of another state, the local registrar of vital statistics shall prepare a new certificate of birth consistent with the acknowledgment or the findings of the court and shall substitute the new certificate for the original certificate of birth."

Page 5, line 18, delete "7" and insert "8"

Page 6, delete lines 24 to 32 and insert:

"Subd. 4. [ACTION TO VACATE RECOGNITION.] *An action to vacate a recognition of paternity may be brought by the mother, father, or child. A mother or father must bring the action within one year of the execution of the recognition or within six months after discovery of evidence in support of the action, whichever is later. A child must bring an action to vacate within six months of discovery of evidence in support of the action or within one year of reaching the age of majority, whichever is later. If the court finds a prima facie basis for vacating the recognition, the court shall order the child, mother, and father to submit to blood tests. If the court issues an order for the taking of blood tests, the court shall require the party seeking to vacate the recognition to make advance payment for the costs of the blood tests. If the party fails to pay for the costs of the blood tests, the court shall dismiss the action to vacate with prejudice. The court may also order the party seeking to vacate the recognition to pay the other party's reasonable attorney fees, costs, and disbursements. If the results of the blood tests establish that the man who executed the recognition is not the father, the court shall vacate the recognition. The court shall terminate the obligation of a party to pay ongoing child support based on the recognition. A modification of child support based on a recognition may be made retroactive with respect to any period during which the moving party has pending a motion to vacate the recognition but only from the date of service of notice of the motion on the responding party.*"

Page 8, lines 17 and 32, delete "7" and insert "8"

Page 8, line 36, delete "8" and insert "9" and delete "1995" and insert "1994"

Page 9, line 1, delete the first "7" and insert "8"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after "2;" insert "257.73, subdivision 1;"

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 98: A bill for an act relating to towns; eliminating distribution of certain reports relating to town roads and bridges; amending Minnesota Statutes 1992, section 164.03, subdivision 4.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 99: A bill for an act relating to towns; clarifying certain provisions for the terms of town supervisor; providing for the compensation of certain town officers and employees; amending Minnesota Statutes 1992, sections 367.03, subdivision 1; and 367.05, subdivision 1.

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. 20 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.
	20		18		

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. 158, 300, 277, 41, 141, 181, 98 and 99 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. No. 20 was read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Kelly moved that his name be stricken as a co-author to S.F. No. 298. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Ms. Krentz be added as a co-author to S.F. No. 317. The motion prevailed.

Mr. Marty moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 454. The motion prevailed.

Mr. Kroening moved that the name of Ms. Berglin be added as a co-author to S.F. No. 460. The motion prevailed.

Mrs. Pariseau moved that the names of Ms. Kiscaden and Mr. Belanger be added as co-authors to S.F. No. 472. The motion prevailed.

Mr. Janezich moved that the name of Mr. Finn be added as a co-author to S.F. No. 499. The motion prevailed.

Mr. Beckman moved that the name of Ms. Olson be added as a co-author to S.F. No. 503. The motion prevailed.

Mr. Novak moved that S.F. No. 529 be withdrawn from the Committee on Metropolitan and Local Government and re-referred to the Committee on Jobs, Energy and Community Development. The motion prevailed.

**CALENDAR**

S.F. No. 12: A resolution expressing the legislature's opposition to federal legislation requiring suspension of licenses for individuals convicted of violations of the federal Controlled Substances Act.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Kelly	Merriam	Ranum
Anderson	Day	Kiscaden	Metzen	Reichgott
Beckman	Dille	Knutson	Moe, R.D.	Riveness
Belanger	Finn	Krentz	Mondale	Robertson
Benson, D.D.	Flynn	Laidig	Morse	Sams
Benson, J.E.	Hanson	Langseth	Murphy	Stumpf
Berg	Hottinger	Larson	Neuville	Terwilliger
Berglin	Janezich	Lesewski	Pappas	Vickerman
Bertram	Johnson, D.E.	Lessard	Pariseau	Wiener
Betzold	Johnson, D.J.	Luther	Piper	
Chandler	Johnson, J.B.	Marty	Pogemiller	
Chmielewski	Johnston	McGowan	Price	

So the resolution passed and its title was agreed to.

**GENERAL ORDERS**

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

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

S.F. No. 40, which the committee recommends to pass, subject to the following motions:

Ms. Reichgott moved to amend S.F. No. 40 as follows:

Page 2, line 25, delete "must authorize" and insert "authorizes"

Page 9, lines 10 and 11, delete "may not be" and insert "is not"

The motion prevailed. So the amendment was adopted.

Ms. Reichgott then moved to amend S.F. No. 40 as follows:

Page 10, after line 2, insert:

**"Sec. 15. [145C.15] [DUTIES OF HEALTH CARE PROVIDERS TO PROVIDE LIFE-SUSTAINING HEALTH CARE.]**

*Unless a living will under chapter 145B or a durable power of attorney for health care indicates an intention to the contrary, if a proxy acting under chapter 145B or an agent acting under this chapter directs the provision of health care, nutrition, or hydration that, in reasonable medical judgment, has a significant possibility of sustaining the patient's life, a health care provider shall take all reasonable steps to ensure the provision of the directed health care, nutrition, or hydration if the provider has the legal and actual capability of providing the health care either itself or by transferring the patient to a health care provider who has that capability. Any transfer of a patient must be done promptly and, if necessary to preserve the patient's life, by emergency means. A health care provider who is unwilling to provide directed health care that the provider has the legal and actual capability of providing may transfer the patient to another health care provider willing to provide the directed health care but the provider shall take all reasonable steps to ensure provision of the directed health care until the patient is transferred. Nothing in this section alters any legal obligation or lack of legal obligation of a health care provider to provide health care to a patient who refuses, has refused, or is unable to pay for the health care."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "establishing duties of health care providers for the provision of life-sustaining health care;"

The motion prevailed. So the amendment was adopted.

Mr. Neville moved to amend S.F. No. 40 as follows:

Page 5, after line 29, insert:

*"The agent does not have authority to make a decision to refuse to consent or to withdraw consent to health care if that decision is likely to cause or hasten the death of the principal, unless the agent is also appointed a guardian or conservator of the person for the principal under section 525.551.*

*If the principal is known to be pregnant, the agent does not have authority to make a decision to refuse to consent or to withdraw consent to health care as long as it is possible that the fetus could develop to the point of live birth with application of the health care, unless the agent is also appointed a*



guardian or conservator of the person for the principal under section 525.551.

*The agent does not have authority to make a decision to refuse to consent or to withdraw consent to the provision of nutrition or hydration unless the durable power of attorney for health care specifically includes this authority."*

Page 9, line 35, before the period, insert "*, including assault or homicide if a violation of this section results in the exercise of authority to make a health care decision that causes death or bodily harm"*

Mr. Neuville requested division of the amendment.

First portion:

Page 5, after line 29, insert:

*"The agent does not have authority to make a decision to refuse to consent or to withdraw consent to health care if that decision is likely to cause or hasten the death of the principal, unless the agent is also appointed a guardian or conservator of the person for the principal under section 525.551."*

Second portion:

Page 5, after line 29, insert:

*"If the principal is known to be pregnant, the agent does not have authority to make a decision to refuse to consent or to withdraw consent to health care as long as it is possible that the fetus could develop to the point of live birth with application of the health care, unless the agent is also appointed a guardian or conservator of the person for the principal under section 525.551."*

Third portion:

Page 5, after line 29, insert:

*"The agent does not have authority to make a decision to refuse to consent or to withdraw consent to the provision of nutrition or hydration unless the durable power of attorney for health care specifically includes this authority."*

Fourth portion:

Page 9, line 35, before the period, insert "*, including assault or homicide if a violation of this section results in the exercise of authority to make a health care decision that causes death or bodily harm"*

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

The roll was called, and there were yeas 16 and nays 45, as follows:

Those who voted in the affirmative were:

Beckman	Day	Lesewski	Olson	Sams
Benson, J.E.	Johnston	Lessard	Pariseau	Stevens
Bertram	Laidig	Neuville	Runbeck	Vickerman
Chmielewski				

Those who voted in the negative were:

Adkins	Dille	Kiscaden	Moe, R.D.	Price
Anderson	Finn	Knutson	Mondale	Ranum
Belanger	Flynn	Krentz	Morse	Reichgott
Benson, D.D.	Hanson	Langseth	Murphy	Riveness
Berg	Hottinger	Luther	Novak	Robertson
Berglin	Janezich	Marty	Oliver	Spear
Betzold	Johnson, D.E.	McGowan	Pappas	Stumpf
Chandler	Johnson, J.B.	Merriam	Piper	Terwilliger
Cohen	Kelly	Metzen	Pogemiller	Wiener

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

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

The roll was called, and there were yeas 20 and nays 41, as follows:

Those who voted in the affirmative were:

Beckman	Day	Knutson	Merriam	Runbeck
Benson, J.E.	Dille	Laidig	Neuville	Sams
Bertram	Johnson, D.J.	Lesewski	Olson	Stevens
Chmielewski	Johnston	Lessard	Pariseau	Vickerman

Those who voted in the negative were:

Adkins	Finn	Krentz	Murphy	Riveness
Anderson	Flynn	Langseth	Novak	Robertson
Belanger	Hanson	Luther	Oliver	Stumpf
Benson, D.D.	Hottinger	Marty	Pappas	Terwilliger
Berg	Janezich	McGowan	Piper	Wiener
Berglin	Johnson, D.E.	Metzen	Pogemiller	
Betzold	Johnson, J.B.	Moe, R.D.	Price	
Chandler	Kelly	Mondale	Ranum	
Cohen	Kiscaden	Morse	Reichgott	

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

The question was taken on the adoption of the third portion of the amendment.

The roll was called, and there were yeas 19 and nays 42, as follows:

Those who voted in the affirmative were:

Beckman	Day	Laidig	Olson	Stevens
Benson, J.E.	Frederickson	Lesewski	Pariseau	Stumpf
Bertram	Johnson, D.J.	Lessard	Runbeck	Vickerman
Chmielewski	Johnston	Neuville	Sams	

Those who voted in the negative were:

Adkins	Dille	Kiscaden	Moe, R.D.	Ranum
Anderson	Finn	Knutson	Mondale	Reichgott
Belanger	Flynn	Krentz	Morse	Riveness
Benson, D.D.	Hanson	Langseth	Murphy	Robertson
Berg	Hottinger	Luther	Oliver	Terwilliger
Berglin	Janezich	Marty	Pappas	Wiener
Betzold	Johnson, D.E.	McGowan	Piper	
Chandler	Johnson, J.B.	Merriam	Pogemiller	
Cohen	Kelly	Metzen	Price	

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

Mr. Neuville withdrew the fourth portion of the amendment.

Mr. Neuville then moved to amend S.F. No. 40 as follows:

Page 3, line 33, delete "SUGGESTED"

Page 5, after line 1, insert:

*"Subd. 3. [REQUIRED PROVISIONS; ACKNOWLEDGMENT OR SPECIFICATION OF HEALTH CARE.] A durable power of attorney for health care must:*

- (1) be signed and acknowledged by the agent;*
- (2) specify the type of health care the principal does or does not wish to receive; or*
- (3) specify that the agent has discretion to determine the type of health care that the principal will receive."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 41, as follows:

Those who voted in the affirmative were:

Beckman	Day	Johnston	McGowan	Pariseau
Benson, J.E.	Dille	Laidig	Neuville	Sams
Chmielewski	Frederickson	Lesewski	Olson	Stevens

Those who voted in the negative were:

Adkins	Finn	Knutson	Murphy	Spear
Anderson	Flynn	Krentz	Oliver	Stumpf
Belanger	Hottinger	Luther	Piper	Terwilliger
Benson, D.D.	Janezich	Marty	Pogemiller	Vickerman
Berglin	Johnson, D.E.	Merriam	Price	Wiener
Bertram	Johnson, D.J.	Metzen	Ranum	
Betzold	Johnson, J.B.	Moe, R.D.	Reichgott	
Chandler	Kelly	Mondale	Robertson	
Cohen	Kiscaden	Morse	Runbeck	

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

Mr. McGowan moved to amend S.F. No. 40 as follows:

Page 1, after line 5, insert:

*"Section 1. [145B.105] [PENALTIES.]*

*Subdivision 1. [GROSS MISDEMEANOR OFFENSES.] Whoever commits any of the following acts is guilty of a gross misdemeanor:*

- (1) willfully conceals, cancels, defaces, or obliterates a living will of a declarant without the consent of the declarant;*
- (2) willfully conceals or withholds personal knowledge of a revocation of a living will;*
- (3) falsifies or forges a living will or a revocation of a living will;*
- (4) coerces or fraudulently induces another to execute a living will; or*
- (5) requires or prohibits the execution of a living will as a condition for being insured for or receiving all or some health care services.*

*Subd. 2. [FELONY OFFENSES.] Whoever commits an act prohibited under subdivision 1 is guilty of a felony if the act results in bodily harm to the*

*declarant or to the person who would have been a declarant but for the unlawful act."*

Page 9, delete lines 15 to 35 and insert:

*"Subdivision 1. [GROSS MISDEMEANOR OFFENSES.] Whoever commits any of the following acts is guilty of a gross misdemeanor:*

*(1) willfully conceals, cancels, defaces, or obliterates a durable power of attorney for health care of a principal without the consent of the principal;*

*(2) willfully conceals or withholds personal knowledge of a revocation of a durable power of attorney for health care;*

*(3) falsifies or forges a durable power of attorney for health care or a revocation of the instrument;*

*(4) coerces or fraudulently induces another to execute a durable power of attorney for health care; or*

*(5) requires or prohibits the execution of a durable power of attorney for health care as a condition for being insured for or receiving all or some health care services.*

*Subd. 2. [FELONY OFFENSES.] Whoever commits an act prohibited under subdivision 1 is guilty of a felony if the act results in bodily harm to the principal or to the person who would have been a principal but for the unlawful act."*

Page 10, after line 2, insert:

*"Sec. 16. [REPEALER.]*

*Minnesota Statutes 1992, section 145B.10, is repealed."*

Page 10, line 4, delete "*Section 13 is*" and insert "*Sections 1 and 14 are*"

Page 10, line 4, delete "*applies*" and insert "*apply*"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S.F. No. 40.

The roll was called, and there were yeas 53 and nays 7, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Moe, R.D.	Robertson
Anderson	Dille	Knutson	Mondale	Runbeck
Beckman	Finn	Krentz	Morse	Sams
Belanger	Flynn	Laidig	Murphy	Spear
Benson, D.D.	Frederickson	Langseth	Oliver	Stevens
Berg	Hottinger	Lessard	Piper	Stumpf
Berglin	Janezich	Luther	Pogemiller	Terwilliger
Bertram	Johnson, D.E.	Marty	Price	Vickerman
Betzold	Johnson, D.J.	McGowan	Ranum	Wiener
Chandler	Johnson, J.B.	Merriam	Reichgott	
Cohen	Kelly	Metzen	Riveness	

Those who voted in the negative were:

Benson, J.E.  
Chmielewski

Johnston  
Lesewski

Neuville

Olson

Pariseau

The motion prevailed. So S.F. No. 40 was recommended 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.

Messrs. Dille, Bertram, Ms. Hanson, Messrs. Berg and Stevens introduced—

S.F. No. 550: A bill for an act relating to animals; prohibiting certain species; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 35.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Dille, Morse, Chmielewski, Vickerman and Stevens introduced—

S.F. No. 551: A bill for an act relating to traffic regulations; implements of husbandry; defining implements of husbandry; reducing maximum speed limit to 25 miles per hour for implements of husbandry and for towing certain farm trailers; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; making towed implements of husbandry subject to requirements for towing chains; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 169.01, subdivision 55; 169.145; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; 171.13, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation and Public Transit.

Messrs. Hottinger, Frederickson, Day and Beckman introduced—

S.F. No. 552: A bill for an act relating to higher education; setting the cost of attendance for certain student financial aid; amending Minnesota Statutes 1992, section 136A.121, subdivision 6.

Referred to the Committee on Education.

Mr. Kelly, Mses. Pappas and Anderson introduced—

S.F. No. 553: A bill for an act relating to retirement; teachers retirement association; providing for the consolidation of the St. Paul teachers retirement fund association; making conforming amendments; amending Minnesota Statutes 1992, sections 3.85, subdivisions 11 and 12; 354.05, subdivisions 2 and 13; 354A.011, subdivisions 8 and 15a; 354A.021, subdivision 1; 354A.092; 354A.093; 354A.095; 354A.096; 354A.12, subdivisions 1, 2, 2a, and 2b; 354A.23, subdivision 1; 354A.30; 354A.32, subdivision 1; 354A.39;

354A.40, subdivision 1; 354A.41; 356.20, subdivision 2; 356.215, subdivision 2; 356.30, subdivision 3; 356.302, subdivision 7; 356.303, subdivision 4; 356.32, subdivision 2; 356.35, subdivisions 2 and 5; 356.36, subdivision 1; 356.86, subdivisions 1, 2, and 3; Laws 1965, chapter 705, section 1, subdivision 4; Laws 1989, chapter 319, article 13, section 94; Laws 1990, chapter 570, article 7, section 4; and Laws 1992, chapter 598, articles 5, section 2; and 6, section 18; repealing Minnesota Statutes 1992, sections 354A.23, subdivision 2; 355:201; 355.202; 355.203; 355.204; 355.205; 355.206; 355.207; 355.208; 355.209; Laws 1976, chapter 238, section 14; Laws 1977, chapter 429, sections 60 and 61; Laws 1979, chapter 109; Laws 1981, chapter 157; Laws 1985, chapter 259, section 3; Laws 1987, chapter 372, article 7, section 6; Laws 1988, chapter 709, article 8, section 8; Laws 1990, chapter 570, article 7, section 3; and Laws 1991, chapter 67.

Referred to the Committee on Governmental Operations and Reform.

Mr. Kelly, Ms. Pappas, Mr. Cohen, Mses. Anderson and Runbeck introduced—

S.F. No. 554: A bill for an act relating to local government; authorizing the city of St. Paul and Ramsey county to merge their health departments; proposing coding for new law in Minnesota Statutes, chapter 383A.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Larson, Vickerman and Sams introduced—

S.F. No. 555: A bill for an act relating to veterans; providing for establishment of a veterans home in Fergus Falls; proposing coding for new law in Minnesota Statutes, chapter 198.

Referred to the Committee on Veterans and General Legislation.

Messrs. Kelly and Cohen introduced—

S.F. No. 556: A bill for an act relating to crime; providing felony penalties for unlawfully possessing a gun or dangerous weapon in a school zone; amending Minnesota Statutes 1992, section 609.66, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Mr. Kelly introduced—

S.F. No. 557: A bill for an act relating to retirement; public employees retirement association; disability benefits; reducing the reduction in benefits to coordinate them with amounts received under workers' compensation law for certain former employees.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Frederickson, Kelly, Ms. Flynn, Messrs. Janezich and Stevens introduced—

S.F. No. 558: A bill for an act relating to taxation; sales and use; providing an exemption for sales to counties for certain capital improvement projects; amending Minnesota Statutes 1992, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Novak, Frederickson, Janezich, Ms. Anderson and Mr. Kroening introduced—

S.F. No. 559: A bill for an act relating to economic development; establishing the affirmative enterprise program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Ms. Berglin introduced—

S.F. No. 560: A bill for an act relating to the hospital construction moratorium, making the moratorium permanent; amending Minnesota Statutes 1992, section 144.551, subdivision 1.

Referred to the Committee on Health Care.

Ms. Flynn, Messrs. Langseth, Chmielewski, Mses. Anderson and Pappas introduced—

S.F. No. 561: A bill for an act relating to traffic regulations; directing commissioner of public safety to issue temporary permit immediately to applicant for special disabled license plates or parking certificate; providing penalty for unauthorized use of temporary permit; amending Minnesota Statutes 1992, sections 168.021, subdivisions 1, 1a, and 3; 169.345, subdivisions 3 and 4; and 169.346, subdivisions 1, 2, and 3.

Referred to the Committee on Transportation and Public Transit.

Ms. Berglin, Messrs. Sams, Vickerman, Samuelson and Benson, D.D. introduced—

S.F. No. 562: A bill for an act relating to health; modifying provisions relating to the nursing home moratorium exception process; providing procedures to replace and lay away nursing home beds; appropriating money; amending Minnesota Statutes 1992, sections 144A.071, subdivisions 1, 2, 3, and by adding subdivisions; 144A.073, subdivisions 2 and 3; and 256B.431, subdivisions 2b, 3d, and 21.

Referred to the Committee on Health Care.

Mr. Vickerman, Ms. Hanson, Messrs. Belanger, Solon and Ms. Johnston introduced—

S.F. No. 563: A bill for an act relating to transportation; requiring handicapped individual desiring to use paratransit services to obtain physician's statement certifying disability; imposing a penalty; amending Minnesota Statutes 1992, sections 174.255, by adding a subdivision; and 473.384, subdivision 8.

Referred to the Committee on Transportation and Public Transit.

Ms. Johnson, J.B.; Messrs. Chandler, Novak, Ms. Anderson and Mr. Dille introduced—

S.F. No. 564: A bill for an act relating to motor fuels; directing public utilities commission to evaluate and implement policy to provide incentives for developing use of motor vehicles powered by alternative fuels; amending

Minnesota Statutes 1992, section 216B.02, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Mses. Ranum; Piper; Johnson, J.B.; Mr. Knutson and Ms. Anderson introduced—

S.F. No. 565: A bill for an act relating to the legislative commission on children, youth, and their families; authorizing the commission to hire staff; prescribing duties of other state officers; changing certain reporting requirements; appropriating money; amending Minnesota Statutes 1992, section 3.873, subdivisions 4, 5, and 6.

Referred to the Committee on Family Services.

Messrs. Morse, Riveness, Stumpf, Pogemiller and Terwilliger introduced—

S.F. No. 566: A bill for an act relating to retirement; removing the requirement for periodic review of the rule of 90; repealing Minnesota Statutes 1992, section 356.85.

Referred to the Committee on Governmental Operations and Reform.

Mr. Marty introduced—

S.F. No. 567: A bill for an act relating to elections; changing registration, filing, boundary change, ballot preparation, canvassing, system testing, and notice requirements and procedures; changing certain duties of election officials; clarifying certain language; adding to reimbursable expenses; amending Minnesota Statutes 1992, sections 201.071, subdivision 1; 201.081; 201.11; 201.13, subdivision 2, and by adding a subdivision; 201.15; 204B.06, subdivisions 4 and 6; 204B.14, subdivision 4; 204B.16, by adding a subdivision; 204B.46; 204C.06, subdivision 1; 204C.31, subdivision 2; 204C.32; 204D.04, subdivision 2; 204D.11, subdivisions 2, 3, and 6; 204D.24, subdivision 2; 204D.27, subdivision 11; 206.83; 206.90, subdivision 6; 207A.02, subdivision 1; 207A.10, subdivision 2; 211B.11, subdivision 1; 211B.14; and 365.51, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Solon, Luther, Kroening, Larson and Samuelson introduced—

S.F. No. 568: A bill for an act relating to insurance; nonprofit health service plan corporations; regulating investments; amending Minnesota Statutes 1992, section 62C.10.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Riveness, Samuelson, Betzold, Chandler and Ms. Robertson introduced—

S.F. No. 569: A bill for an act relating to human services; replacing the work readiness programs in Hennepin and Ramsey counties with a public works training program; amending Minnesota Statutes 1992, section 256D.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D.



Referred to the Committee on Family Services.

Ms. Wiener, Messrs. Metzen and Terwilliger introduced—

S.F. No. 570: A bill for an act relating to state government; providing for appointments to advisory task forces, councils, and committees, administrative boards, and agencies; clarifying reporting requirements and term limits; amending Minnesota Statutes 1992, sections 15.014, subdivision 2; 15.0575, subdivision 2; 15.059, subdivision 2; 15.0597, subdivisions 2, 4, and 7; and 214.09, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Berg and Janezich introduced—

S.F. No. 571: A bill for an act relating to taxation; imposing a tax on certain lawful gambling activities; recodifying certain provisions related to lawful gambling; imposing penalties; amending Minnesota Statutes 1992, sections 270.101, subdivision 1; 349.163, subdivision 5; 349.2123; 349.2125, subdivision 1; 349.2127, subdivision 3; and 349.22, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1992, sections 349.166, subdivision 4; 349.19, subdivision 9; 349.212; 349.2121; 349.2122; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; and 349.219.

Referred to the Committee on Taxes and Tax Laws.

Mr. Lessard introduced—

S.F. No. 572: A bill for an act relating to traffic regulations; authorizing use of studded tires on authorized emergency vehicles during cold weather season; amending Minnesota Statutes 1992, section 169.72, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Morse, Finn, Price, Mrs. Benson, J.E. and Mr. Hottinger introduced—

S.F. No. 573: A bill for an act relating to education; providing for consumer protection for SELF student loan recipients; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Messrs. Benson, D.D.; Hottinger; Novak; Vickerman and Day introduced—

S.F. No. 574: A bill for an act relating to health; MinnesotaCare; modifying provisions relating to covered services and copayments; amending Minnesota Statutes 1992, section 256.9353, subdivisions 1 and 6.

Referred to the Committee on Health Care.

Mr. Hottinger introduced—

S.F. No. 575: A bill for an act relating to retirement; teachers retirement

association; authorizing the recomputation of a certain period certain annuity option.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Spear, Luther, Ms. Berglin, Mr. Cohen and Ms. Robertson introduced—

S.F. No. 576: A bill for an act relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead insurance proceeds; amending Minnesota Statutes 1992, sections 510.02; and 510.07.

Referred to the Committee on Judiciary.

Mr. Murphy and Ms. Ranum introduced—

S.F. No. 577: A bill for an act relating to controlled substances; prescribing penalties for failure to comply with the precursor chemical tracking system; requiring reporting of missing substances and purchases made out of state; clarifying reporting requirements; amending Minnesota Statutes 1992, sections 152.0971, subdivision 1, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; and 152.0974; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1992, section 152.0973, subdivision 4.

Referred to the Committee on Crime Prevention.

Ms. Wiener, Mr. Belanger, Ms. Johnston, Messrs. Luther and Solon introduced—

S.F. No. 578: A bill for an act relating to commerce; unclaimed property; regulating certain notices; amending Minnesota Statutes 1992, section 345.42, subdivisions 2 and 3.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Metzen; Terwilliger; Stumpf; Moe, R.D. and Pogemiller introduced—

S.F. No. 579: A bill for an act relating to retirement; the public employees retirement association; increasing the pension benefit multiplier for the public employees police and fire fund; amending Minnesota Statutes 1992, sections 353.651, subdivision 3; and 353.656, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mses. Reichgott, Wiener, Messrs. Terwilliger, Janezich and Metzen introduced—

S.F. No. 580: A bill for an act relating to local government; providing for the preparation and review of accounts; providing for duties of the state auditor; providing for the costs of examinations; defining the limits to various types of compensation; providing procedures for the satisfaction of claims; providing procedures for the removal of city managers; limiting certain high risk investments; amending Minnesota Statutes 1992, sections 6.56; 16B.06, subdivision 4; 43A.17, subdivision 9; 340A.602; 375.162, subdivision 2;

375.18, by adding subdivisions; 412.271, subdivision 1, and by adding subdivisions; 412.641, subdivision 1; and 475.66, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 6; 465; and 471.

Referred to the Committee on Metropolitan and Local Government.

Ms. Ranum, Mr. Kelly, Ms. Piper, Messrs. Cohen and McGowan introduced—

S.F. No. 581: A bill for an act relating to local government; authorizing cities to offer rewards for information leading to the apprehension, arrest, or conviction of alleged felons; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Crime Prevention.

Ms. Ranum and Mr. Terwilliger introduced—

S.F. No. 582: A bill for an act relating to motor vehicles; extending validity period of nonresident temporary vehicle permits; amending Minnesota Statutes 1992, section 168.091, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Mr. Larson introduced—

S.F. No. 583: A bill for an act relating to insurance; workers' compensation; regulating certain premium adjustment programs.

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

Messrs. Mondale, Luther, Riveness, Finn and Ms. Krentz introduced—

S.F. No. 584: A bill for an act relating to free speech; protecting citizens and organizations from civil lawsuits for exercising their constitutional rights of petition, speech, association, and participation in government; proposing coding for new law as Minnesota Statutes, chapter 554.

Referred to the Committee on Judiciary.

Mses. Pappas, Flynn, Mr. Belanger, Ms. Reichgott and Mr. Johnson, D.J. introduced—

S.F. No. 585: A bill for an act relating to taxation; making technical corrections and administrative changes to sales and use taxes, income and franchise taxes, property taxes, and tax administration and enforcement; changing penalties; appropriating money; amending Minnesota Statutes 1992, sections 82B.035, by adding a subdivision; 84.82, subdivision 10; 86B.401, subdivision 12; 270.071, subdivision 2; 270.072, subdivision 2; 271.06, subdivision 1; 271.09, subdivision 3; 272.02, subdivisions 1 and 4; 272.025, subdivision 1; 272.12; 273.03, subdivision 2; 273.061, subdivision 8; 273.124, subdivisions 9 and 13; 273.13, subdivision 25; 273.138, subdivision 5; 273.1398, subdivisions 1, 3, and 5b; 274.13, subdivision 1; 274.18; 275.065, subdivision 5a; 275.07, subdivision 4; 275.28, subdivision 3; 275.295; 277.01, subdivision 2; 277.15; 277.17; 278.01, subdivision 1; 278.02; 278.03; 278.04; 278.08; 278.09; 282.018; 287.21, subdivision 4;

287.22; 289A.08, subdivisions 3, 10, and 15; 289A.09, subdivision 1; 289A.11, subdivisions 1 and 3; 289A.12, subdivisions 2, 3, 4, 7, 8, 9, 10, 11; 12, and 14; 289A.18, subdivisions 1 and 4; 289A.20, subdivision 4; 289A.25, subdivisions 1, 2, 5a, 6, 8, 10, and 12; 289A.26, subdivisions 1, 4, and 6; 290A.04, subdivision 2h; 296.14, subdivision 2; 297A.01, subdivision 3; 297B.01, subdivision 5; 297B.03; 347.10; 348.04; 469.175, subdivisions 5 and 6a; 469.177, subdivision 8; and 473H.10, subdivision 3; Laws 1991, chapter 291, article 1, section 65, as amended; Laws 1992, chapter 511, article 2, section 61; proposing coding for new law in Minnesota Statutes, chapters 273; 276; 289A; and 297; repealing Minnesota Statutes 1992, sections 60A.13, subdivision 1a; 273.49; 274.19; 274.20; 277.011; 289A.08, subdivisions 9 and 12; 297A.258; and 348.03.

Referred to the Committee on Taxes and Tax Laws.

Ms. Pappas, Messrs. Kelly, Chandler, Cohen and Ms. Anderson introduced—

S.F. No. 586: A bill for an act relating to taxation; creating a joint property tax advisory committee; amending Minnesota Statutes 1992, section 275.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 383A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Larson, Morse, Stevens, Neuville and Ms. Lesewski introduced—

S.F. No. 587: A bill for an act relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements; amending Minnesota Statutes 1992, sections 69.051, by adding a subdivision; and 317A.823, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mr. Mondale introduced—

S.F. No. 588: A bill for an act relating to elections; setting the date by which Hennepin county park reserve district redistricting must take place; amending Minnesota Statutes 1992, section 383B.68, subdivision 4.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Kroening, Ms. Ranum and Mr. Mondale introduced—

S.F. No. 589: A bill for an act relating to the St. Anthony Falls heritage board; permitting the chair of the Hennepin board of commissioners to designate a representative to the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Mr. Samuelson, Ms. Piper, Berglin, Messrs. Betzold and Sams introduced—

S.F. No. 590: A bill for an act relating to human services; directing the commissioner of human services to provide equal access to new or existing

community programs to all persons with mental retardation or related conditions; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health Care.

Mses. Pappas, Lesewski, Messrs. Dille and Hottinger introduced—

S.F. No. 591: A bill for an act relating to taxation; providing that certain housing for the elderly and low- and moderate-income persons is exempt from taxation; amending Minnesota Statutes 1992, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Finn, Sams, Morse and Frederickson introduced—

S.F. No. 592: A bill for an act relating to game and fish; setting preferences for antlerless deer drawings; amending Minnesota Statutes 1992, section 97B.305.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck introduced—

S.F. No. 593: A bill for an act relating to crime; providing criminal penalties for a parent, guardian, or caretaker who abandons a child under ten years of age; amending Minnesota Statutes 1992, section 609.38; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Messrs. Lessard, Stumpf and Mrs. Pariseau introduced—

S.F. No. 594: A bill for an act relating to taxation; sales and use; imposing an additional ten percent tax on sales of artificial furs; amending Minnesota Statutes 1992, sections 297A.02, by adding a subdivision; 297A.25, subdivision 8; and 297A.44, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Belanger, Benson, D.D.; Ms. Johnston, Messrs. Vickerman and Luther introduced—

S.F. No. 595: A bill for an act relating to transportation; establishing Minnesota paratransit commission; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Messrs. Spear, Solon, Metzen and Samuelson introduced—

S.F. No. 596: A bill for an act relating to the city of Minneapolis; permitting the city to license certain liquor sales.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Stumpf, Berg, Frederickson, Mrs. Pariseau and Mr. Merriam introduced—

S.F. No. 597: A bill for an act relating to game and fish; prohibiting sale or transportation of game fish commercially taken in Canadian boundary waters; amending Minnesota Statutes 1992, section 97A.531.

Referred to the Committee on Environment and Natural Resources.

Messrs. Berg and Bertram introduced—

S.F. No. 598: A bill for an act relating to apiary law; removing state regulation of honey bees; amending Minnesota Statutes 1992, sections 18.022, subdivision 1; and 18.0228, subdivision 3; repealing Minnesota Statutes 1992, sections 19.50; 19.51; 19.52; 19.53; 19.54; 19.55; 19.56; 19.57; 19.58; 19.59; 19.60; 19.61; 19.62; 19.63; 19.64; and 19.65.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Stumpf, Berg, Frederickson, Mrs. Pariseau and Mr. Merriam introduced—

S.F. No. 599: A bill for an act relating to game and fish; prohibiting sale or transportation of commercially netted sauger; amending Minnesota Statutes 1992, section 97C.821.

Referred to the Committee on Environment and Natural Resources.

Ms. Ranum and Mr. Mondale introduced—

S.F. No. 600: A bill for an act relating to corrections; appropriating money for construction of additional space at the Hennepin county juvenile detention center.

Referred to the Committee on Crime Prevention.

Mr. Morse, Meses. Johnson, J.B. and Krentz introduced—

S.F. No. 601: A bill for an act relating to education; increasing the general education formula allowance; increasing training and experience revenue; lowering the referendum allowance limit; creating a discretionary aid and levy program; limiting total general education revenue; repealing supplemental revenue; amending Minnesota Statutes 1992, sections 124A.03, subdivisions 1c and 1g; 124A.22, subdivisions 1, 2, and 4; and 124A.24; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Minnesota Statutes 1992, sections 122.531, subdivision 5a; and 124A.22, subdivisions 8, 8a, 8b, and 9.

Referred to the Committee on Education.

Ms. Johnson, J.B. introduced—

S.F. No. 602: A bill for an act relating to education; correcting an erroneous debt service equalization aid calculation; appropriating money.

Referred to the Committee on Education.

Ms. Johnson, J.B.; Messrs. Moe, R.D.; Johnson, D.J. and Ms. Anderson introduced—

S.F. No. 603: A bill for an act relating to telecommunications; setting goals for implementing advanced telecommunications technology and services; requiring implementation of the goals; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Mr. Sams, Ms. Lesewski and Mr. Murphy introduced—

S.F. No. 604: A bill for an act relating to agriculture; making technical changes in eligibility for certain rural finance authority loan programs; amending Minnesota Statutes 1992, sections 41B.03, subdivision 3; and 41C.05, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Samuelson, Vickerman, Ms. Hanson, Messrs. Larson and Metzen introduced—

S.F. No. 605: A bill for an act relating to the veterans homes board; requiring the board to apply for certain federal funding.

Referred to the Committee on Veterans and General Legislation.

Mr. Benson, D.D.; Ms. Robertson, Mr. Mondale and Ms. Berglin introduced—

S.F. No. 606: A bill for an act relating to human services; providing an exemption from medical assistance prior authorization requirements; establishing a disproportionate share payment for therapy services; amending Minnesota Statutes 1992, section 256B.0625, subdivision 25; and Laws 1992, chapter 513, article 7, section 131.

Referred to the Committee on Health Care.

Ms. Flynn, Messrs. Benson, D.D.; Hottinger; Johnson, D.J. and Ms. Pappas introduced—

S.F. No. 607: A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 88.04, subdivision 3; 103B.245, subdivision 3; 103B.251, subdivision 8; 103G.625, subdivision 3; 103B.635, subdivision 2; 103B.691, subdivision 2; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 373.40, subdivision 6; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.218; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivisions 6 and 7; 469.107, subdivision 1; 469.188; 471.191, subdivision 2; 471.1921; 471.24; 471.57, subdivision 1; 471.571, subdivision 2; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; 641.23; and Laws 1915, chapter 316, section 1, as amended; Laws 1933, chapter 423, section 2; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1943, chapter 196, section 6, as amended; chapter 367, section 1, as amended; chapter 510, section 1; Laws 1947, chapter 224, section 1; chapter 340, section 4; Laws 1949, chapter 215, section 2; chapter 252, section 1; chapter 668, section 1; Laws

1953, chapter 154, section 3; chapter 545, section 2; Laws 1957, chapter 213, section 1; chapter 629, section 1; Laws 1959, chapter 298, section 2; chapter 520, section 1; chapter 556, section 1, as amended; Laws 1961, chapter 30, section 1; chapter 80, section 1; chapter 81, section 1; chapter 82, section 1; chapter 119, section 1; chapter 151, section 1; chapter 209, section 4; chapter 276, section 1; chapter 317, section 1; chapter 352, section 1, as amended; chapter 439, section 1; chapter 616, section 1, subdivision 1; chapter 643, section 1; Laws 1961, Extra Session chapter 33, section 3; Laws 1963, chapter 29, section 1; chapter 56, section 1; chapter 103, section 1; chapter 228, section 1; chapter 603, section 1; Laws 1965, chapter 6, section 2, as amended; chapter 442, section 1; chapter 451, section 2; chapter 512, section 1, subdivision 1; chapter 527, section 1; chapter 617, section 1; Laws 1967, chapter 501, section 1; chapter 526, section 1, subdivision 3; chapter 542, section 1, subdivision 3; chapter 611, section 1; chapter 660, section 2, subdivision 2; chapter 758, section 1; Laws 1967, extra session chapter 47, sections 1, as amended, and 3, as amended; Laws 1969, chapter 192, section 1, as amended; chapter 534, section 2; chapter 538, section 6, as amended; chapter 602, section 1, subdivision 2; chapter 652, section 1; chapter 659, section 3; chapter 730, section 1; Laws 1971, chapter 168, section 1; chapter 326, section 17, subdivisions 1 and 2; chapter 356, section 2; chapter 404, section 1; chapter 424, section 1; chapter 443, section 4; chapter 515, section 1; chapter 573, sections 1, and 2, as amended; chapter 876, section 3; Laws 1973, chapter 81, section 1; chapter 445, section 1; Laws 1977, chapter 61, section 8; chapter 246, section 1, subdivision 1; Laws 1979, chapter 1, section 3; chapter 253, section 3; chapter 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1984, chapter 380, section 1; chapter 502, article 13, section 8; Laws 1985, chapter 181, section 1; chapter 289, sections 1; 3; 5, subdivision 1; and 6; Laws 1986, chapter 392, section 1; chapter 399, article 1, section 1, as amended; Laws 1988, chapter 517, section 1; chapter 640, section 3; Laws 1989, chapter 245, section 1, as amended; Laws 1990, chapter 604, article 3, sections 59, subdivision 1; and 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 4; 469.053, subdivision 4; 471.63, subdivision 2; and Laws 1971, chapter 168, section 2; and chapter 770; Laws 1974, chapter 209; Laws 1977, chapter 246, section 1, subdivision 2; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; Laws 1991, chapter 3, section 2, subdivision 3; chapter 291, article 4, section 21.

Referred to the Committee on Taxes and Tax Laws.

Mr. Stumpf introduced—

S.F. No. 608: A bill for an act relating to higher education; regulating unrequested leaves of absence during the regionalization process of technical colleges; amending Minnesota Statutes 1992, section 136C.64, subdivision 3.

Referred to the Committee on Education.

Mr. Kroening, Ms. Flynn, Messrs. Pogemüller, Terwilliger and Morse introduced—



S.F. No. 609: A bill for an act relating to retirement; the Minneapolis teachers retirement fund association; providing for purchase of allowable service credit for public school employment outside the state of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 354A.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Riveness; Moe, R.D.; Novak; Stumpf and Ms. Runbeck introduced—

S.F. No. 610: A bill for an act relating to economic development; adding the executive director of the higher education coordinating board to the Minnesota job skills partnership board; authorizing the use by the job skills partnership board of funds from any source for grants and dissemination of information; amending Minnesota Statutes 1992, sections 116L.03, subdivisions 1 and 2; and 116L.05, by adding a subdivision.

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

Messrs. Riveness, Metzen, Solon, Ms. Wiener and Mr. Terwilliger introduced—

S.F. No. 611: A bill for an act relating to state government; executive council; regulating depositories for state funds; amending Minnesota Statutes 1992, section 9.031, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 9; repealing Minnesota Statutes 1992, section 9.031, subdivisions 1, 2, 3, 4, 5, and 10.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Merriam, Chandler and Ms. Runbeck introduced—

S.F. No. 612: A bill for an act relating to consumers; requiring certain disclosures when consumer reports are used for employment purposes; providing for access to consumer reports; amending Minnesota Statutes 1992, section 13C.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13C; repealing Minnesota Statutes 1992, section 13C.01, subdivision 2.

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

Ms. Berglin and Mr. Benson, D.D. introduced—

S.F. No. 613: A bill for an act relating to health; modifying lead abatement requirements; licenses and fees; establishing disposal methods; providing penalties; amending Minnesota Statutes 1992, section 144.871, subdivisions 2, 3, 6, 7a, and by adding subdivisions; 144.872, subdivisions 2 and 3; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.876, by adding subdivisions; 144.878, subdivisions 2 and 5; and Minnesota Rules, chapter 4761; proposing coding for new law in Minnesota Statutes, chapters 116 and 144; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; and 144.878, subdivision 2a.

Referred to the Committee on Health Care.

Ms. Krentz introduced—

S.F. No. 614: A bill for an act relating to education; modifying the teacher retirement program to provide an incentive for experienced teachers to participate in job sharing; proposing coding for new law in Minnesota Statutes, chapter 125.

Referred to the Committee on Education.

Mr. Cohen, Ms. Reichgott and Mr. Finn introduced—

S.F. No. 615: A bill for an act relating to human rights; providing for protection for disabled persons in employment; clarifying permissible absenteeism under the "reasonable accommodation" clause; extending the time frame from 45 to 90 days for bringing a civil action after a "no probable cause" determination; providing for the right to a jury trial; amending Minnesota Statutes 1992, sections 363.01, subdivision 13; 363.02, subdivision 5; 363.03, subdivision 1; 363.14, subdivision 2; and 363.117.

Referred to the Committee on Judiciary.

Mr. Solon introduced—

S.F. No. 616: A bill for an act relating to retirement; authorizing purchase of service credit for previously exempt service by certain members of the teachers retirement association.

Referred to the Committee on Governmental Operations and Reform.

Mr. Solon introduced—

S.F. No. 617: A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Luther; Moe, R.D. and Cohen introduced—

S.F. No. 618: A bill for an act relating to state departments; establishing the department of management and budget; abolishing the departments of administration, employee relations, finance, and revenue, and the office of strategic and long-range planning; amending Minnesota Statutes 1992, sections 4A.01; 4A.02; 4A.03; 4A.04; 15.01; 15A.081, subdivision 1; 16A.01, subdivision 1; 16A.011, subdivisions 7 and 9; 16A.055, subdivision 1; 16A.123, subdivision 3; 16A.1281; 16A.17, subdivision 8; 16A.275, subdivision 1; 16A.632; 16A.672, subdivision 11; 16A.711, subdivision 5; 16A.712; 16A.85, subdivision 1; 16B.05, subdivision 2; 16B.052; 16B.06, subdivisions 1 and 2; 16B.19, subdivision 2d; 16B.24, subdivision 6a; 16B.28, subdivision 3; 16B.305, subdivision 2; 16B.31, subdivision 6; 16B.37, subdivision 3; 16B.41, subdivision 2; 16B.465, subdivision 4; 16B.48, subdivision 4; 16B.51, subdivision 2; 16B.54, subdivision 2; 16B.55, subdivision 4; 16B.65, subdivision 3; 16B.85, subdivision 2; 43A.045; 43A.05, subdivision 6; 43A.08, subdivision 1; 43A.15, subdivision 13; 43A.18, subdivision 5; 43A.182; 43A.30, subdivisions 1 and 2; 43A.31, subdivision 1; 43A.37, subdivision 1; 270.06; and 270.0681, subdivision 4; proposing coding for new law as Minnesota Statutes, chapter 16D; repealing Minnesota Statutes 1992, sections 16A.01, subdivisions 2 and 3; 16B.03; 43A.03, subdivisions 2, 4, and 5; and 270.02.

Referred to the Committee on Governmental Operations and Reform.

Ms. Olson introduced—

S.F. No. 619: A bill for an act relating to retirement; public employees police and fire fund; extending retirement annuity, disability benefit and survivor benefit coverage to part-time off-duty peace officers employed as transit police by the metropolitan transit commission; amending Minnesota Statutes 1992, sections 353.01, subdivision 6; 353.65, subdivisions 2 and 3; 353.651, subdivision 2; 353.656, subdivision 1; and 353.657, subdivisions 1, 2, and 3.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Finn, Sams, Mrs. Benson, J.E. and Mr. Price introduced—

S.F. No. 620: A bill for an act relating to education; modifying eligibility requirements for state post-secondary grant recipients; establishing reporting requirements for eligible institutions; amending Minnesota Statutes 1992, sections 136A.101, by adding a subdivision; 136A.121, subdivisions 2, 5, and by adding a subdivision.

Referred to the Committee on Education.

Ms. Reichgott, Mr. Janezich and Ms. Olson introduced—

S.F. No. 621: A bill for an act relating to education; providing for outcome-based school districts; lifting the cap on the number of outcome-based schools; authorizing the state board of education as an independent sponsor of an outcome-based school; amending Minnesota Statutes 1992, section 120.064, subdivisions 1, 3, 4, 5, 8, 9, 11, 18, 20, 21, and by adding subdivisions.

Referred to the Committee on Education.

Messrs. Lessard; Janezich; Johnson, D.J.; Samuelson and Moe, R.D. introduced—

S.F. No. 622: A bill for an act relating to taconite iron mining; prescribing procedures for negotiation of the terms for negotiated or extended state taconite leases; amending Minnesota Statutes 1992, sections 93.192; and 93.193.

Referred to the Committee on Environment and Natural Resources.

Messrs. Kroening; Moe, R.D.; Novak; Ms. Kiscaden and Mr. Johnson, D.J. introduced—

S.F. No. 623: A bill for an act relating to state government; providing funding for community action agencies and economic opportunity grants; appropriating money.

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

Ms. Krentz, Messrs. Pogemiller, Finn, Ms. Flynn and Mr. Beckman introduced—

S.F. No. 624: A bill for an act relating to transportation; establishing Minnesota paratransit commission; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Messrs. Solon and Pogemiller introduced—

S.F. No. 625: A bill for an act relating to retirement; first class city teachers; annuities and administration; St. Paul teachers postretirement adjustments; administrative expenses; amending Minnesota Statutes 1992, sections 354A.011, subdivision 27; 354A.021, subdivision 5, and by adding a subdivision; 354A.12, subdivisions 1, 1a, 2a, 2b, and by adding a subdivision; 354A.23, subdivision 3; and 354A.31, by adding subdivisions.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Marty and Merriam introduced—

S.F. No. 626: A bill for an act relating to state appointments; prohibiting the sale or other transfer of appointments by appointees; providing for competition in the award of certain contracts; abolishing authority to appoint certain corporations or private individuals as deputy registrars of motor vehicles; providing for the transfer of certain appointments of corporations as deputy registrars to private individuals; requiring county auditors to accept appointments as deputy registrars except in certain situations; permitting any other county or city official to be appointed as a deputy registrar; permitting counties to contract with private individuals for deputy registrar services in certain instances; requiring the registrar of motor vehicles to adopt rules governing the hours of operation of deputy registrars; reducing registration fees; permitting private individuals holding appointments as deputy registrars or qualifying for transfers of appointments held by corporations to continue as deputy registrars; amending Minnesota Statutes 1992, section 168.33, subdivisions 2 and 7; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Reform.

Mr. Beckman introduced—

S.F. No. 627: A bill for an act relating to taxes; changing the property tax classification rates for certain agricultural property; modifying the sales ratio; amending Minnesota Statutes 1992, sections 124.2131, subdivision 1; 270.12, by adding a subdivision; 273.11, by adding a subdivision; 273.13, subdivision 23; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

### MEMBERS EXCUSED

Messrs. Kroening, Samuelson and Solon were excused from the Session of today. Mr. Frederickson was excused from the Session of today from 11:00 a.m. to 12:00 noon. Mr. Stevens was excused from the Session of today from 11:00 to 11:15 a.m. Mr. Novak was excused from the Session of today at 12:05 p.m.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, March 4, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## NINETEENTH DAY

St. Paul, Minnesota, Thursday, March 4, 1993

The Senate met at 9:30 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. Rod Anderson.

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

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

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. 9, 146 and 97.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 1, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 9: A bill for an act relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

Mr. Moe, R.D. moved that H.F. No. 9 be referred to the Committee on Health Care. The motion prevailed.

H.F. No. 146: A bill for an act relating to financial institutions; state banks; regulating the acquisition of a bank or savings association for operation as a detached facility; amending Minnesota Statutes 1992, section 49.34, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 109, now on General Orders.

H.F. No. 97: A bill for an act relating to labor relations; regulating public employment labor relations; modifying the definition of a confidential employee; amending Minnesota Statutes 1992, section 179A.03, subdivision 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 93.

### 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. 241. The motion prevailed.

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

S.F. No. 276: A bill for an act relating to financial institutions; credit unions; regulating investments in share certificates; authorizing credit unions to make reverse mortgage loans; regulating credit unions as depositories of various funds; amending Minnesota Statutes 1992, sections 11A.24, subdivision 4; 41B.19, subdivision 6; 47.58, subdivision 1; 48.64; 48.86; 50.14, subdivision 13; 52.04, subdivision 1; 80A.14, subdivisions 4 and 9; 116J.8765, subdivision 4; 118.01, subdivision 1; 118.10; 136.31, subdivision 6; 427.01; 446A.11, subdivision 9; 475.67, subdivision 5; and 520.01, subdivision 2.

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

Page 11, line 35, delete "*as provided by law*" and insert "*provided that one of the parties to the trust is a member of the credit union accepting the deposit*"

Page 20, after line 33, insert:

"Sec. 18. Minnesota Statutes 1992, section 540.08, is amended to read:

540.08 [INJURY TO CHILD OR WARD; SUIT BY PARENT OR GUARDIAN.]

A parent may maintain an action for the injury of a minor son or daughter. A general guardian may maintain an action for an injury to the ward. A guardian of a dependent, neglected, or delinquent child, appointed by a court having jurisdiction, may maintain an action for the injury of the child. If no

action is brought by the father or mother, an action for the injury may be brought by a guardian ad litem, either before or after the death of the parent. Before a parent receives property as a result of the action, the parent shall file a bond as the court prescribes and approves as security therefor. In lieu of this bond, upon petition of the parent, the court may order that the property received be invested in securities issued by the United States, which shall be deposited pursuant to the order of the court, or that the property be invested in a savings account, savings certificate, ~~or~~ certificate of deposit, *or share certificate*, in a bank, savings and loan association, ~~or~~ trust company, *credit union in which either the depositor or beneficiary is a member*, or an annuity or other form of structured settlement, subject to the order of the court. A copy of the court's order and the evidence of the deposit shall be filed with the court administrator. Money or assets in an account established by the court under this section are not available to the minor child or the child's parent or guardian until released by the court to the child or the child's parent or guardian. No settlement or compromise of the action is valid unless it is approved by a judge of the court in which the action is pending."

Amend the title as follows:

Page 1, line 12, delete "and"

Page 1, line 13, after "2" insert "and 540.08"

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

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

S.F. No. 291: A bill for an act relating to insurance; health; requiring coverage for elimination of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

Delete everything after the enacting clause and insert:

"Section 1. [62A.304] [COVERAGE FOR PORT-WINE STAIN ELIMINATION.]

*Subdivision 1. [SCOPE OF COVERAGE.] This section applies to all health plans as defined in section 62A.011.*

*Subd. 2. [REQUIRED COVERAGE.] Every health plan included in subdivision 1 must cover elimination or maximum feasible treatment of port-wine stains for any covered person."*

Delete the title and insert:

"A bill for an act relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A."

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



Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 334: A bill for an act relating to traffic regulations; authorizing delayed arrest of driver and penalizing vehicle owner or lessee for failure to yield right-of-way to emergency vehicle; amending Minnesota Statutes 1992, section 169.20, by adding subdivisions.

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

Page 1, line 22, delete "*another person is convicted for that violation*" and insert "*the owner or lessee provides evidence that another person was operating the vehicle at the time the violation occurred*"

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

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

S.F. No. 306: A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, subdivision 2.

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

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

S.F. No. 93: A bill for an act relating to labor relations; regulating public employment labor relations; modifying the definition of a confidential employee; amending Minnesota Statutes 1992, section 179A.03, subdivision 4.

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

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

S.F. No. 376: A bill for an act relating to the state board of investment; management of funds under board control; amending Minnesota Statutes 1992, sections 11A.08, subdivision 4; 11A.14, subdivisions 1, 2, 4, and 5; 11A.24, subdivisions 1 and 4; 69.77, subdivision 2g; 69.775; 116P.11; 352.96, subdivision 3; 356.24, subdivision 1; and 424A.06, subdivision 4.

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

Page 1, line 24, after the period, insert "*The assets of participating nonretirement funds may not be commingled with the assets of participating public retirement plans.*"

Page 8, line 18, after the period, insert "*The periodic review must occur at least every two years.*"

Page 11, after line 10, insert:

"Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective the day following final enactment.*"

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 470: A bill for an act relating to elections; changing the time and date of the precinct caucuses; amending Minnesota Statutes 1992, section 202A.14, subdivision 1.

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

Page 1, line 9, delete "8:00" and insert "7:00" and reinstate the first stricken "first" and delete "last"

Page 1, line 10, reinstate the stricken "March" and delete "February"

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 270: A bill for an act relating to elections; changing certain margins requiring automatic recounts; amending Minnesota Statutes 1992, section 204C.35, 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. 192: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Aitkin county.

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. 229: A bill for an act relating to watercraft; mirror requirements for watercraft towing persons on various devices; amending Minnesota Statutes 1992, section 86B.313, subdivision 1.

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

Page 1, line 24, strike "factory specified" and after the stricken "replacement" insert "factory-specified"

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. 235: A bill for an act relating to state lands; directing release of a reversionary interest in certain state lands conveyed to the city of St. Peter.

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

Delete everything after the enacting clause and insert:

"Section 1. [RELEASE OF REVERSIONARY INTEREST.]

*The commissioner of natural resources, in the name of the state, may release to the city of St. Peter, without monetary consideration, the reversionary interest retained by the state in those lands included in the former Traverse des Sioux state park that were conveyed to the city of St. Peter and are described in Laws 1980, chapter 489, section 4. Release of the reversionary interest must be in a form prescribed by the attorney general and must provide that the land reverts to the state if it is not used for public purposes."*

Delete the title and insert:

"A bill for an act relating to state lands; authorizing release of a reversionary interest in certain state lands conveyed to the city of St. Peter."

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. 281: A bill for an act relating to taxation; providing for payment of certain in-lieu taxes; amending Minnesota Statutes 1992, sections 97A.061; and 477A.14.

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

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1992, section 97A.061, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION.] (a) Except as provided in subdivision 3, the county treasurer shall allocate the payment among the county, towns, and school districts on the same basis as if the payments were taxes on the land received in the year. *Payment of a town's or a school district's allocation must be made by the county treasurer to the town or school district within 30 days of receipt of the payment to the county.* The county's share of the payment shall be deposited in the county general revenue fund.

(b) The county treasurer of a county with a population over 39,000 but less than 42,000 in the 1950 federal census shall allocate the payment only among

the towns and school districts on the same basis as if the payments were taxes on the lands received in the current year.

Sec. 2. Minnesota Statutes 1992, section 97A.061, subdivision 3, is amended to read:

Subd. 3. [GOOSE MANAGEMENT CROPLANDS.] (a) The commissioner shall make a payment on July 1 of each year from the game and fish fund, to each county where the state owns more than 1,000 acres of crop land, for wild goose management purposes. The payment shall be equal to the taxes assessed on comparable, privately owned, adjacent land. The county treasurer shall allocate *and distribute* the payment as provided in subdivision 2.

(b) The land used for goose management under this subdivision is exempt from taxation as provided in sections 272.01 and 273.19."

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

Page 3, after line 25, insert:

"Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective for payments received by the county after June 30, 1993."*

Amend the title as follows:

Page 1, line 4, after "97A.061" insert ", subdivisions 2 and 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. 283: A bill for an act relating to state lands; authorizing the private sale of state land in St. Louis county.

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

Page 1, lines 7 and 8, delete "by private sale"

Page 1, line 9, before the period, insert "to the Virginia school district for no consideration"

Page 1, line 10, delete from "The" through page 1, line 12, to "value."

Page 2, line 6, delete "including" and insert "which together with"

Page 2, line 7, after the comma, insert "will be used"

Amend the title as follows:

Page 1, line 2, delete "private sale" and insert "conveyance"

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. 388: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Cook county.

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

Page 2, after line 7, insert:

"Sec. 2. [PRIVATE SALE OF TAX-FORFEITED LAND; COOK COUNTY.]

(a) *Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, Cook county may convey by private sale for not less than the appraised value the tax-forfeited land that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.*

(b) *The conveyance must be in a form approved by the attorney general.*

(c) *The land that may be conveyed is located in Cook county and is described as:*

(1) *SW 1/4 of NE 1/4, Section 21, Township 60N, Range 3W*

(2) *SE 1/4 of NW 1/4, Section 21, Township 60N, Range 3W*

(3) *E 1/2 of NE 1/4 of SW 1/4, Section 20, Township 60N, Range 3W."*

Page 2, line 9, delete "Section 1 is" and insert "Sections 1 and 2 are"

Amend the title as follows:

Page 1, line 4, before the period, insert "; authorizing private sale of certain tax-forfeited land in Cook county"

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

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

S.F. No. 241: A bill for an act relating to human services; modifying reimbursement procedures for group residential housing; amending Minnesota Statutes 1992, section 256I.05, 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 "*or other costs necessary to provide room and board,*"

Page 1, line 11, delete "30"

Page 1, delete lines 12 and 13 and insert "*18 days per incident, not to exceed 60 days in a calendar year, if the absence or absences have received the prior approval of the county agency's social service staff. Prior approval is not required for emergency absences due to illness or injury.*"

And when so amended the bill do pass. Mr. Samuelson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

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

H.F. No. 51 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
51	41				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 51 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 51 and insert the language after the enacting clause of S.F. No. 41, the first engrossment; further, delete the title of H.F. No. 51 and insert the title of S.F. No. 41, the first engrossment.

And when so amended H.F. No. 51 will be identical to S.F. No. 41, and further recommends that H.F. No. 51 be given its second reading and substituted for S.F. No. 41, 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. 276, 306, 93, 376, 470, 270, 192, 229, 235, 281, 283 and 388 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. No. 51 was read the second time.

### **MOTIONS AND RESOLUTIONS**

Mr. Metzen moved that his name be stricken as a co-author to S.F. No. 79. The motion prevailed.

Mr. Kelly moved that the name of Ms. Berglin be added as a co-author to S.F. No. 90. The motion prevailed.

Mr. Merriam moved that the name of Ms. Robertson be added as a co-author to S.F. No. 177. The motion prevailed.

Mr. Johnson, D.E. moved that the name of Ms. Berglin be added as a co-author to S.F. No. 230. The motion prevailed.

Mr. Moe, R.D. moved that his name be stricken as a co-author to S.F. No. 315. The motion prevailed.

Ms. Piper moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 433. The motion prevailed.

Mr. Sams moved that the name of Mr. Merriam be added as a co-author to S.F. No. 471. The motion prevailed.

Mr. Novak moved that his name be stricken as a co-author to S.F. No. 479. The motion prevailed.

Mr. Mondale moved that the name of Mr. Kelly be added as a co-author to S.F. No. 479. The motion prevailed.

Mr. Marty moved that the name of Mr. Chmielewski be added as a co-author to S.F. No. 492. The motion prevailed.

Mr. Kelly moved that his name be stricken as a co-author to S.F. No. 529. The motion prevailed.

Mr. Novak moved that the name of Mr. Mondale be added as a co-author to S.F. No. 529. The motion prevailed.

Mr. Kelly moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 557. The motion prevailed.

Mr. Murphy moved that the name of Mr. Mondale be added as a co-author to S.F. No. 577. The motion prevailed.

Mr. Merriam moved that the name of Mr. Novak be added as a co-author to S.F. No. 612. The motion prevailed.

Ms. Krentz moved that the name of Mr. Morse be added as a co-author to S.F. No. 614. The motion prevailed.

Mr. Luther moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 618. The motion prevailed.

Mr. Marty moved that the name of Mr. Morse be added as a co-author to S.F. No. 626. The motion prevailed.

Mr. Hottinger introduced—

Senate Resolution No. 27: A Senate resolution commemorating the 125th anniversary of the incorporation of the City of Mankato.

Referred to the Committee on Rules and Administration.

Mr. Larson introduced—

Senate Resolution No. 28: A Senate resolution congratulating Cris Anderson of Fergus Falls, Minnesota, for being named the Coleen Yatcoske Minnesota Middle Level Educator of the Year.

Referred to the Committee on Rules and Administration.

## CALENDAR

S.F. No. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; establishing duties of health care providers for the provision of life-sustaining health care; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 145B; proposing coding for new law as Minnesota Statutes, chapter 145C; repealing Minnesota Statutes 1992, section 145B.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 53 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Finn	Krentz	Mondale	Robertson
Beckman	Flynn	Laidig	Morse	Runbeck
Belanger	Frederickson	Langseth	Murphy	Sams
Benson, D.D.	Hanson	Larson	Novak	Solon
Berg	Hottinger	Lessard	Oliver	Spear
Berglin	Janezich	Luther	Pappas	Stevens
Betzold	Johnson, D.E.	Marty	Piper	Stumpf
Chandler	Johnson, D.J.	McGowan	Pogemiller	Terwilliger
Cohen	Kelly	Merriam	Price	Wiener
Day	Kiscaden	Metzen	Reichgott	
Dille	Knutson	Moe, R.D.	Riveness	

Those who voted in the negative were:

Benson, J.E.	Chmielewski	Kroening	Olson	Samuelson
Bertram	Johnston	Neuville	Pariseau	Vickerman

So the bill passed and its title was agreed to.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Hottinger; Sams; Johnson, D.E.; Stumpf and Langseth introduced—

S.F. No. 628: A bill for an act relating to workers' compensation; regulating benefits; eliminating supplementary benefits; regulating permanent total disability benefits; eliminating certain lump-sum payments; amending Minnesota Statutes 1992, sections 176.021, subdivisions 3 and 3a; 176.101, subdivisions 3g, 3l, 3m, 3o, 3q, 4, and 5; and 176.66, subdivision 11; repealing Minnesota Statutes 1992, section 176.132, subdivisions 1 and 2.

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

Messrs. Riveness, Luther, Hottinger and Metzen introduced—

S.F. No. 629: A bill for an act relating to public employment; permitting interest arbitration on retired public employee group insurance coverage for units of essential employees; amending Minnesota Statutes 1992, section 179A.16, subdivision 9.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Marty and Novak introduced—

S.F. No. 630: A bill for an act relating to education; providing for fund transfers; amending Laws 1991, chapter 256, article 8, section 14, as amended.

Referred to the Committee on Education.

Messrs. McGowan, Merriam, Belanger and Ms. Ranum introduced—

S.F. No. 631: A bill for an act relating to law enforcement; exempting law enforcement agencies from the requirements of the criminal offender rehabilitation employment law; amending Minnesota Statutes 1992, section 364.09.

Referred to the Committee on Crime Prevention.



Mses. Berglin, Ranum, Messrs. Marty, Finn and Terwilliger introduced—

S.F. No. 632: A bill for an act relating to health; appropriating money for the public health nurse home visiting program.

Referred to the Committee on Health Care.

Mr. Kelly introduced—

S.F. No. 633: A bill for an act relating to game and fish; raising to 18 years the age for taking fish without a license; amending Minnesota Statutes 1992, sections 97A.445, subdivision 1; 97A.451, subdivision 2; and 97C.305, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Kelly introduced—

S.F. No. 634: A bill for an act relating to occupations and professions; expanding an unlicensed plumber's work on premises owned by the unlicensed plumber; amending Minnesota Statutes 1992, section 326.40, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Kelly, Ms. Pappas and Mr. Pogemiller introduced—

S.F. No. 635: A bill for an act relating to higher education; creating the Twin Cities University under the administration of the higher education board; providing for a merger between the Metropolitan State University and Minneapolis Community College; proposing coding for new law in Minnesota Statutes, chapter 136E.

Referred to the Committee on Education.

Mr. Murphy, Ms. Wiener and Mr. Morse introduced—

S.F. No. 636: A bill for an act relating to pollution control; modifying eligibility area for state financial assistance program for combined sewer overflow; amending Minnesota Statutes 1992, section 116.162, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 637: A bill for an act relating to crime; exempting bicycles operated by peace officers while performing their duties; permitting certain flashing lights on bicycles; permitting the admission of evidence in criminal proceedings of failure to use a child passenger restraint system; authorizing the mailing of citations to drivers who fail to yield to an emergency vehicle; authorizing deduction of fines from inmate prison wages; providing for criminal prosecution of certain juveniles who are alleged to have committed a crime while possessing or using a firearm; broadening the administrative subpoena power of county attorneys; clarifying the admissibility of statistical probability evidence; clarifying provisions relating to the pretrial detention of alleged violators of domestic abuse protection orders; applying certain mandatory minimum sentences to the terroristic threats crime and clarifying

the elements of that crime; allowing the extension of probation to collect unpaid fines; clarifying the elements of certain criminal sexual conduct crimes; authorizing warrantless arrests for violation of any restraining order or no contact order; amending Minnesota Statutes 1992, sections 169.20, subdivision 5; 169.222, subdivisions 1 and 6; 169.64, subdivision 3; 169.685, subdivision 4; 243.23, subdivision 3; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 388.23, subdivision 1; 480.0591, subdivision 6; 518B.01, subdivision 14; 609.055, subdivision 2; 609.111, subdivision 9; 609.135, subdivisions 1a and 2; 609.344, subdivision 1; 609.345, subdivision 1; 609.713, subdivision 1; and 629.34, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Lessard introduced—

S.F. No. 638: A bill for an act relating to Itasca county; permitting the consolidation of the offices of auditor and treasurer.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Solon; Chmielewski; Johnson, D.J.; Janezich and Frederickson introduced—

S.F. No. 639: A bill for an act relating to the environment; providing for the disposal of ash from incinerators operated by the Western Lake Superior Sanitary District; amending Minnesota Statutes 1992, section 458D.07, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mses. Pappas, Anderson, Messrs. Chandler, Kelly and Cohen introduced—

S.F. No. 640: A bill for an act relating to the city of St. Paul; allowing the city to make special assessments against certain benefited property.

Referred to the Committee on Metropolitan and Local Government.

Mr. Pogemiller introduced—

S.F. No. 641: A bill for an act relating to education; revising the date for the commissioner of education to notify school districts of their levy limits; amending Minnesota Statutes 1992, section 124.918, subdivision 1.

Referred to the Committee on Education.

Ms. Piper, Messrs. Sams, Riveness, Mses. Johnson, J.B. and Berglin introduced—

S.F. No. 642: A bill for an act relating to human services; determining the number of eligible children to be served in child care fund programs in the 1994-1995 biennium and the 1996-1997 biennium; appropriating money; amending Minnesota Statutes 1992, section 256H.03, by adding a subdivision.

Referred to the Committee on Family Services.

Ms. Berglin, Messrs. Benson, D.D.; Betzold and Ms. Kiscaden introduced—

S.F. No. 643: A bill for an act relating to medical assistance; increasing asset allowances; removing the 30-month limitation on prohibited transfers for medical assistance eligibility; requiring the commissioner of human services to seek necessary federal law changes or waivers; providing for medical assistance liens on real property; appropriating money; amending Minnesota Statutes 1992, sections 256B.059, subdivisions 3 and 5; and 256B.0595, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 514.

Referred to the Committee on Health Care.

Mr. Beckman, Ms. Hanson, Mrs. Benson, J.E.; Messrs. Sams and Vickerman introduced—

S.F. No. 644: A bill for an act relating to education; providing for a reimbursement of costs incurred by school districts to comply with required elementary preparation time rules; appropriating money.

Referred to the Committee on Education.

Messrs. Chmielewski; Johnson, D.E.; McGowan; Ms. Hanson and Mr. Novak introduced—

S.F. No. 645: A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1992, sections 222.86, subdivision 3; 222.87, by adding a subdivision; and 222.88.

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

Mr. Vickerman introduced—

S.F. No. 646: A bill for an act relating to tax increment financing; modifying the computation of original tax capacity; amending Minnesota Statutes 1992, section 469.177, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Mr. Vickerman introduced—

S.F. No. 647: A bill for an act relating to lawful gambling; making certain expenditures for maintenance and utilities for premises owned or leased by a licensed organization a lawful purpose; repealing the requirement for an annual audit of lawful gambling activities and funds; reducing the rate of tax on the ideal gross from pull-tabs and tipboards; requiring the director of lawful gambling and the commissioner of revenue to jointly adopt a single form for organizations' monthly reporting; amending Minnesota Statutes 1992, sections 349.12, subdivision 25; and 349.212, subdivision 4; repealing Minnesota Statutes 1992, section 349.19, subdivision 9.

Referred to the Committee on Gaming Regulation.

Mr. Vickerman introduced—

S.F. No. 648: A bill for an act relating to retirement; providing an open and standing appropriation of funds needed to reimburse relief associations for supplemental benefit payments to volunteer firefighters; amending Minnesota Statutes 1992, section 424A.10, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Vickerman and Murphy introduced—

S.F. No. 649: A bill for an act relating to ambulance service personnel; establishing an ambulance service personnel longevity award and incentive program; imposing a driver's license surcharge; appropriating money; amending Minnesota Statutes 1992, section 171.06, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 144C.

Referred to the Committee on Health Care.

Mrs. Benson, J.E.; Mr. McGowan, Mrs. Pariseau, Mr. Price and Ms. Piper introduced—

S.F. No. 650: A bill for an act relating to transportation; establishing Minnesota paratransit commission; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Mr. Benson, D.D. introduced—

S.F. No. 651: A bill for an act relating to civil actions; providing immunity from liability for volunteer athletic physicians and volunteer athletic trainers; proposing coding for new law in Minnesota Statutes, chapter 604.

Referred to the Committee on Judiciary.

Mr. Lessard introduced—

S.F. No. 652: A bill for an act relating to taxation; sales and use; changing the computation of taxes on solid waste collection services provided by a political subdivision; amending Minnesota Statutes 1992, section 297A.45, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 653: A bill for an act relating to town roads; permitting cartways to be established on alternative routes; amending Minnesota Statutes 1992, section 164.08, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Mr. Riveness, by request, introduced—

S.F. No. 654: A bill for an act relating to retirement; authorizing certain retirees of the public employees retirement association to change annuity options.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Belanger, Pogemiller, Mmes. Benson, J.E., Pariseau and Mr. Price introduced—

S.F. No. 655: A bill for an act relating to taxation; excluding certain property tax refunds from the revenue recapture act; amending Minnesota Statutes 1992, section 270A.03, subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Ms. Piper introduced—

S.F. No. 656: A bill for an act relating to the city of Albert Lea; actuarial assumptions for the Albert Lea fire department relief association.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Marty, Berg, Beckman, Spear and Johnson, D.E. introduced—

S.F. No. 657: A bill for an act relating to compulsive gambling; providing for a compulsive gambling surtax; establishing a compulsive gambling account; requesting contributions from the Minnesota Indian gaming association for compulsive gambling programs; appropriating money; amending Minnesota Statutes 1992, sections 245.98, by adding a subdivision; 349.212, subdivision 2, and by adding a subdivision.

Referred to the Committee on Gaming Regulation.

Messrs. Larson, Langseth and Sams introduced—

S.F. No. 658: A bill for an act relating to appropriations; appropriating money for equipment and operation of Glendalough state park.

Referred to the Committee on Environment and Natural Resources.

Mr. Vickerman, Ms. Lesewski and Mr. Beckman introduced—

S.F. No. 659: A bill for an act relating to capital improvements; authorizing a grant to construct a noncommercial television tower; authorizing state bonds; appropriating money.

Referred to the Committee on Veterans and General Legislation.

Mses. Flynn, Hanson, Berglin, Pappas and Mr. Langseth introduced—

S.F. No. 660: A bill for an act relating to traffic regulations; requiring helmets to be worn by persons under 18 years of age when operating bicycle on a street or highway, bikeway, or sidewalk; amending Minnesota Statutes 1992, section 169.222, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Ms. Piper, Messrs. Stumpf, Solon, Samuelson and Ms. Kiscaden introduced—

S.F. No. 661: A bill for an act relating to human services; directing the commissioner of human services to obtain federal waivers under the AFDC program.

Referred to the Committee on Family Services.

Mr. Pogemiller, Mses. Ranum, Flynn, Messrs. Terwilliger and Metzen introduced—

S.F. No. 662: A bill for an act relating to retirement; survivor benefits payable by the Minneapolis police relief association; amending Laws 1992, chapter 471, article 1, section 10, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mr. Pogemiller introduced—

S.F. No. 663: A bill for an act relating to elections; authorizing the filing officer to keep from the ballot the name of a person who is a convicted felon, under guardianship, or found incompetent; amending Minnesota Statutes 1992, section 204B.10, by adding a subdivision.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Pogemiller introduced—

S.F. No. 664: A bill for an act relating to retirement; public employees retirement association and Minneapolis employees retirement fund; providing for the retention of pension coverage for certain transferred employees.

Referred to the Committee on Governmental Operations and Reform.

Mr. Pogemiller introduced—

S.F. No. 665: A bill for an act relating to housing; providing for a metropolitan community stabilization program; amending Minnesota Statutes 1992, sections 462A.21, by adding a subdivision; and 473.249, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Messrs. Finn, Sams, Belanger, Solon and Ms. Reichgott introduced—

S.F. No. 666: A bill for an act relating to commerce; prohibiting smoking in designated nonsmoking hotel rooms; allowing reimbursement to innkeepers for actual costs resulting from violation; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 327.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Ranum, Messrs. McGowan and Spear introduced—

S.F. No. 667: A bill for an act relating to crimes; establishing a criminal justice system task force to review the Minnesota criminal code and penalties, review bias crime penalties, and review sentencing under the sentencing guidelines.

Referred to the Committee on Crime Prevention.

Mr. Riveness, Ms. Ranum and Mr. Belanger introduced—

S.F. No. 668: A bill for an act relating to education; authorizing school

districts to levy for replacement and restoration of certain facilities; amending Minnesota Statutes 1992, section 124.91, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Berg, Lessard, Merriam and Frederickson introduced—

S.F. No. 669: A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; amending Minnesota Statutes 1992, sections 97A.045, subdivision 7; 97B.005, subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97C.375; 97C.405; and 97C.701, subdivisions 1 and 2; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

Referred to the Committee on Environment and Natural Resources.

Messrs. Novak; Johnson, D.J.; Chandler; Dille and Ms. Johnson, J.B. introduced—

S.F. No. 670: A bill for an act relating to telecommunications; extending authority of public utilities commission to approve incentive regulation plans for certain telephone companies; amending Laws 1989, chapter 74, section 27.

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

Mr. Frederickson introduced—

S.F. No. 671: A bill for an act relating to human services; providing for downsizing of the MBW on Center and MBW Eleven Seven intermediate care facilities for persons with mental retardation; appropriating money.

Referred to the Committee on Health Care.

Mr. Murphy introduced—

S.F. No. 672: A bill for an act relating to traffic regulations; providing for the traffic offense of failure to maintain control of a vehicle; providing penalty; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Transportation and Public Transit.

Mr. Cohen, Meses. Berglin, Reichgott, Messrs. Betzold and Knutson introduced—

S.F. No. 673: A bill for an act relating to human services; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 136A.121, subdivision 2; 214.101, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 257.66, subdivision 3; 257.67, subdivision 3; 257.69, subdivision 1; 518.14; 518.171, subdivisions 1, 2, 3, 4, 6, 7, 8, 10, and by adding a subdivision; 518.24; 518.54, subdivision 4; 518.551, subdivisions 1, 5, 5b, 7, 10, and 12; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivisions 1 and 4; 518.613, subdivision 1; 518.64, subdivisions 1, 2, 5, and 6; 518.645; 548.09, subdivision 1; 548.091, subdivision 3a;

588.20; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; and 518; repealing Minnesota Statutes 1992, sections 256.979; and 609.37.

Referred to the Committee on Family Services.

Mr. Cohen introduced—

S.F. No. 674: A bill for an act relating to civil actions; providing for stay of a bond required of plaintiffs in certain actions against a public body; amending Minnesota Statutes 1992, section 562.02.

Referred to the Committee on Judiciary.

Messrs. Metzen and Novak introduced—

S.F. No. 675: A bill for an act relating to housing; changing the property tax classification of certain lease purchase property; providing that a housing and redevelopment authority may make down payment assistance loans; changing minimum amounts for certain contract letting procedures; changing requirements for general obligation revenue bonds; amending Minnesota Statutes 1992, sections 273.13, subdivision 25; 469.012, by adding a subdivision; 469.015, subdivisions 1 and 2; and 469.034, subdivision 2.

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

Mr. Stevens introduced—

S.F. No. 676: A bill for an act relating to retirement; legislators retirement; establishing defined contribution plan retirement coverage for post-1993 and certain pre-1994 legislators; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1; 3A.03; 3A.04, subdivisions 1 and 2; 3A.12, subdivision 1; 352D.02, subdivision 3; 352D.03; 352D.04, subdivision 2; 352D.11, subdivision 1; and 352D.12; proposing coding for new law in Minnesota Statutes, chapters 3A; and 352D.

Referred to the Committee on Governmental Operations and Reform.

Mr. Lessard introduced—

S.F. No. 677: A bill for an act relating to motor fuels; exempting rerefined waste motor oil from motor fuel excise tax; amending Minnesota Statutes 1992, section 296.03.

Referred to the Committee on Taxes and Tax Laws.

Mr. Stumpf introduced—

S.F. No. 678: A bill for an act relating to sales tax; expanding the tax exemption for senior citizens groups to include groups with members less than 55 years of age who are disabled; amending Minnesota Statutes 1992, section 297A.25, subdivision 16.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—



S.F. No. 679: A bill for an act relating to intoxicating liquor; removing prohibition against the keeping of dice on licensed premises; authorizing the keeping and use of dice on licensed premises under certain circumstances; amending Minnesota Statutes 1992, section 340A.410, subdivision 5.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Price, Chandler and Belanger introduced—

S.F. No. 680: A bill for an act relating to insurance; health; requiring disclosure of dental coverage reimbursement rates; proposing coding for new law in Minnesota Statutes, chapter 72A.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Anderson, Messrs. McGowan, Kelly, Merriam and Ms. Pappas introduced—

S.F. No. 681: A bill for an act relating to crime victims; providing that victims' rights are applicable to juvenile proceedings; providing notice and waiver of towing fees for victims of auto theft; adding restitution as a sentencing option in juvenile traffic cases; waiving fees for docketing an order of restitution as a civil judgment; defining collateral source to include proceeds of a lawsuit brought as result of a crime; making procedural corrections to reduce administrative costs; extending the date of expiration of the Minnesota crime victim and witness advisory council; amending Minnesota Statutes 1992, sections 260.193, subdivision 8; 611A.02, subdivision 2; 611A.04, subdivision 3; 611A.52, subdivisions 5, 8, and 9; 611A.57; 611A.66; and 611A.71, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 169; 260; and 611A; repealing Minnesota Statutes 1992, section 611A.57, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Chmielewski introduced—

S.F. No. 682: A bill for an act relating to traffic regulations; establishing speed limit on marked interstate highway 35E in St. Paul at 55 miles per hour; authorizing commissioner of transportation to designate lower speed limit based on engineering and traffic investigation; amending Minnesota Statutes 1992, section 169.14, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Hottinger, Solon, Samuelson, Belanger and Larson introduced—

S.F. No. 683: A bill for an act relating to insurance; credit; permitting the sale of credit involuntary unemployment insurance; amending Minnesota Statutes 1992, sections 47.016, subdivision 1; 48.185, subdivision 4; 52.04, subdivision 1; 56.125, subdivision 3; 56.155, subdivision 1; 60K.03, subdivision 7; 60K.19, subdivision 3; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, by adding a subdivision; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, and 4; 62B.09, subdivisions 1, 2, and 3; 62B.11; 62B.12; and 72A.20, subdivision 27.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Anderson, Mr. Luther, Ms. Johnston, Mr. Betzold and Ms. Wiener introduced—

S.F. No. 684: A bill for an act relating to insurance; prohibiting denial of eligibility due to jury duty; amending Minnesota Statutes 1992, section 593.50; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Pogemiller introduced—

S.F. No. 685: A bill for an act relating to retirement; the Minneapolis fire department relief association; setting service pension rates; repealing Laws 1971, chapter 542.

Referred to the Committee on Governmental Operations and Reform.

Ms. Flynn, Mr. Hottinger, Ms. Anderson, Mr. Laidig and Ms. Ranum introduced—

S.F. No. 686: A bill for an act relating to property taxation; excluding the value of improvements to certain homestead properties from assessment; amending Minnesota Statutes 1992, section 273.11, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Luther and Ms. Reichgott introduced—

S.F. No. 687: A bill for an act relating to retirement; Brooklyn Center volunteer firefighters service pension maximums.

Referred to the Committee on Governmental Operations and Reform.

Ms. Krentz, Messrs. Langseth, Laidig and Stevens introduced—

S.F. No. 688: A bill for an act relating to state government; changing the name of the council on affairs of Spanish-speaking people to the council on affairs of Mexicano/Chicano and Latino people; making related changes in definitions and duties; amending Minnesota Statutes 1992, section 3.9223, subdivisions 1, 2, 3, 5, 7, and by adding a subdivision; repealing Minnesota Statutes 1992, section 3.9223, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Mses. Berglin, Piper, Mr. Spear and Ms. Flynn introduced—

S.F. No. 689: A bill for an act relating to human services; appropriating money for the New Chance demonstration project.

Referred to the Committee on Family Services.

Mses. Berglin, Piper and Mr. Vickerman introduced—

S.F. No. 690: A bill for an act relating to medical assistance and general assistance medical care; increasing reimbursement for certain mental health services.

Referred to the Committee on Health Care.

Messrs. Beckman, Frederickson, Vickerman, Stumpf and Sams introduced—

S.F. No. 691: A bill for an act relating to education; appropriating money for the operating expense of the Minnesota education in agriculture leadership council.

Referred to the Committee on Education.

Messrs. Chmielewski, Solon, Larson and Ms. Piper introduced—

S.F. No. 692: A bill for an act relating to insurance; workers' compensation; regulating the minimum deposit requirements for self-insurers; amending Minnesota Statutes 1992, section 79A.04, subdivision 2.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Merriam, Lessard, Berg, Frederickson and Metzen introduced—

S.F. No. 693: A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.451, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivisions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

Referred to the Committee on Environment and Natural Resources.

Messrs. Marty, Neuville, Ms. Anderson and Ranum introduced—

S.F. No. 694: A bill for an act relating to drivers' licenses; allowing use of results of preliminary screening test of driver's breath to be used in actions for driver's license reinstatement; clarifying administrative revocation penalties; amending Minnesota Statutes 1992, sections 169.121, subdivisions 4 and 6; and 171.166, subdivision 3.

Referred to the Committee on Crime Prevention.

Messrs. Marty and Morse introduced—

S.F. No. 695: A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.01, subdivision 2; 473H.02, subdivision 4; 473H.03, subdivisions 1, 4, 5, and 6; 473H.04, subdivisions 1, 2, and 3; 473H.05, subdivision 1; 473H.06, subdivision 5; 473H.07; 473H.08, subdivision 3; 473H.11; and 473H.12; repealing Minnesota Statutes 1992, section 473H.02, subdivision 5:

Referred to the Committee on Metropolitan and Local Government.

Messrs. Morse; Moe, R.D.; Stumpf; Benson, D.D. and Ms. Kiscaden introduced—

S.F. No. 696: A bill for an act relating to education; appropriating money for instructional equipment at the Rochester center.

Referred to the Committee on Education.

Messrs. Price, Morse, Merriam and Ms. Flynn introduced—

S.F. No. 697: A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivisions 1, 7, and by adding a subdivision; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnson, J.B.; Messrs. Johnson, D.J. and Novak introduced—

S.F. No. 698: A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.51, subdivision 2; and 237.52, subdivision 2.

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

Mr. Sams introduced—

S.F. No. 699: A bill for an act relating to health; utilization review of health care; providing for chiropractic review; amending Minnesota Statutes 1992, section 62M.09, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Price, Metzen, Berg and Janezich introduced—

S.F. No. 700: A bill for an act relating to horse racing; permitting two class A licenses within the seven-county metropolitan area; permitting the state fair to apply for a pari-mutuel horse racing license; permitting distributions from the breeders' fund for Minnesota-bred horses racing in other racing jurisdictions; amending Minnesota Statutes 1992, sections 240.06, subdivisions 5 and 5a; 240.09, subdivision 1; and 240.18, subdivision 1.

Referred to the Committee on Gaming Regulation.

Messrs. Novak, Chmielewski and Dille introduced—

S.F. No. 701: A bill for an act relating to public safety; modifying excavation; modifying the notice requirement; amending Minnesota Statutes 1992, sections 116I.07, subdivision 2; and 216D.01, subdivision 5.

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

Messrs. Finn; Berg; Sams; Johnson, D.J. and Lessard introduced—

S.F. No. 702: A bill for an act relating to game and fish; requiring identification of traps; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Mr. Vickerman, Ms. Lesewski, Messrs. Sams, Bertram and Berg introduced—

S.F. No. 703: A bill for an act relating to drainage; defining as "repair" certain incidental straightening of tiles and use of larger tile sizes under certain circumstances; amending Minnesota Statutes 1992, section 103E.701, subdivision 1.

Referred to the Committee on Agriculture and Rural Development.

Mr. Finn, Ms. Reichgott, Messrs. Betzold, Cohen and Knutson introduced—

S.F. No. 704: A bill for an act relating to commerce; regulating corporate registrations and administrative dissolutions; regulating limited partnership registrations; regulating trademarks; regulating various lien filings; making various housekeeping changes relating to the powers and duties of the secretary of state; amending Minnesota Statutes 1992, sections 302A.821, subdivision 6; 303.13, subdivisions 1 and 2; 317A.823, subdivision 1; 317A.827, subdivision 3; 322A.70; 333.20, subdivision 3; 336.9-403; 514.27; 514.661, subdivision 4; 514.945, subdivision 1; 514.956, subdivision 3; and 514.960, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Price, Ms. Flynn, Messrs. Laidig, Luther and Ms. Runbeck introduced—

S.F. No. 705: A bill for an act relating to metropolitan government; appropriating money for the operation and maintenance of metropolitan area regional parks.

Referred to the Committee on Environment and Natural Resources.

Mses. Olson, Krentz and Mr. Larson introduced—

S.F. No. 706: A bill for an act relating to taxation; directing the revisor to restore understandable terminology to property tax rates and values used in the statutes; defining mill and mill rate; directing the same change in uncoded law; proposing coding for new law in Minnesota Statutes, chapter 273.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Dille, Lessard, Stumpf, Finn and Mrs. Pariseau introduced—

S.F. No. 707: A bill for an act relating to wetlands; altering the replacement ratio; continuing interim rules; amending Minnesota Statutes 1992, sections 103G.222; 103G.2242, subdivision 1; and 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Cohen, Dille, Ms. Lesewski and Mr. Bertram introduced—

S.F. No. 708: A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

Referred to the Committee on Agriculture and Rural Development.

Mr. Bertram and Mrs. Adkins introduced—

S.F. No. 709: A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1992, section 487.25, subdivision 10.

Referred to the Committee on Crime Prevention.

Messrs. Benson, D.D.; Sams; Ms. Kiscaden, Messrs. Oliver and Hottinger introduced—

S.F. No. 710: A bill for an act relating to human services; creating the integrated management and planning act for persons with mental retardation or related conditions; establishing an advisory committee; allowing certain persons currently served by semi-independent living services to transfer to home- and community-based waived services; establishing a revolving loan fund for new residential service providers; amending the definition of vendor for day training and habilitation services; allowing agreements with businesses to provide support and supervision in community-based employment; creating optional payment rates for day training and habilitation services; increasing the number of persons in day training and habilitation services eligible for alternative services pilot projects; providing exemptions to rules; amending Minnesota Statutes 1992, sections 252.275, subdivisions 1 and 8; 252.30; 252.40; 252.41, subdivisions 1 and 9; 252.43; 252.46; 256.017, subdivision 1; 256.025, subdivision 2; and Laws 1992, chapter 513, article 9, section 41; proposing coding for new law in Minnesota Statutes, chapters 252; and 256E; proposing coding for new law as Minnesota Statutes, chapter 252B; repealing Minnesota Statutes 1992, sections 252.46, subdivisions 12, 13, and 14; and 252.47.

Referred to the Committee on Health Care.

**MEMBERS EXCUSED**

Mrs. Adkins, Mses. Lesewski and Ranum were excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:00 a.m., Monday, March 8, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTIETH DAY

St. Paul, Minnesota, Monday, March 8, 1993

The Senate met at 11:00 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. Doyal Van Gelder.

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

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 Senate File, herewith returned: S.F. No. 119.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1993



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. 48: A bill for an act relating to real property; providing for recordation of mortgage satisfaction or release following change in identity of corporate mortgagee or assignee; providing procedures for interested person to file for record a request for notice of mortgage foreclosure; allowing postponement of foreclosure sale by party conducting the foreclosure; providing that certain forfeitures of real property are subject to interests of good faith purchasers; amending Minnesota Statutes 1992, sections 507.411; 580.032, subdivision 1; 580.07; and 609.5311, subdivision 3.

Senate File No. 48 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 4, 1993

### CONCURRENCE AND REPASSAGE

Mr. Betzold moved that the Senate concur in the amendments by the House to S.F. No. 48 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 48: A bill for an act relating to real property; providing for recordation of mortgage satisfaction or release following change in identity of corporate mortgagee or assignee; allowing enforcement of assignment of rents and profits of certain mortgaged real property, against only nonhomestead portion of that property; providing procedures for interested person to file for record a request for notice of mortgage foreclosure; allowing postponement of foreclosure sale by party conducting the foreclosure; providing that certain forfeitures of real property are subject to interests of good faith purchasers; amending Minnesota Statutes 1992, sections 507.411; 559.17, subdivision 2; 580.032, subdivision 1; 580.07; and 609.5311, subdivision 3.

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 62 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Day	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Novak	Sams
Belanger	Frederickson	Langseth	Oliver	Samuelson
Benson, D.D.	Hanson	Lesewski	Olson	Solon
Benson, J.E.	Hottinger	Lessard	Pappas	Spear
Berg	Janezich	Luther	Pariseau	Stevens
Berglin	Johnson, D.E.	Marty	Piper	Stumpf
Bertram	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Betzold	Johnston	Merriam	Price	Wiener
Chandler	Kelly	Metzen	Ranum	
Chmielewski	Kiscaden	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	

Messrs. Larson and Terwilliger 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 House Files, herewith transmitted: H.F. Nos. 86, 174, 237, 145, 201, 227 and 254.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 4, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 86: A bill for an act relating to state government; extending expiration date of governor's residence council; providing for four additional public members; amending Minnesota Statutes 1992, section 16B.27, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 174: A bill for an act relating to occupations and professions; requiring manufactured home installers to be licensed by the state; amending Minnesota Statutes 1992, sections 326.83, subdivision 4, and by adding subdivisions; and 327.31, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce and Consumer Protection.

H.F. No. 237: A bill for an act relating to counties; providing procedures for the combination of the offices of auditor and treasurer; amending Minnesota Statutes 1992, section 375A.10, subdivision 5.

Referred to the Committee on Metropolitan and Local Government.

H.F. No. 145: A bill for an act relating to occupations and professions; modifying board of medical practice requirements for licensure by reciprocity; amending Minnesota Statutes 1992, section 147.03, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 173, now on General Orders.

H.F. No. 201: A bill for an act relating to elections; permitting cities to use mail ballots in city, county, and state elections; amending Minnesota Statutes 1992, section 204B.45, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

H.F. No. 227: A bill for an act relating to human services; modifying adult foster care license requirements; amending Minnesota Statutes 1992, section 245A.11, subdivision 2a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 242, now on General Orders.

H.F. No. 254: A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1992, section 375.025, subdivision 4.

Referred to the Committee on Ethics and Campaign Reform.

### 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. 372 and reports pertaining to appointments. The motion prevailed.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 198: A bill for an act relating to local improvements; setting limits for certain contract requirements; amending Minnesota Statutes 1992, section 429.041, subdivisions 1 and 2.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 302: A bill for an act relating to the city of Minneapolis; regulating the establishment and functions of special service districts; amending Laws 1985, chapter 302, section 1, subdivision 3; section 2, subdivision 1; and section 4.

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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 313: A bill for an act relating to Dakota county; providing for the composition and powers of the county housing and redevelopment authority and the county extension committee; amending Minnesota Statutes 1992, section 383D.41, subdivisions 1, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 383D.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 269: A bill for an act relating to metropolitan government; requiring at least one member of metropolitan transit commission to be disabled user of transit system; amending Minnesota Statutes 1992, section 473.404, subdivision 2.

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

Page 1, line 13, strike "may" and insert "*member must*"

Page 1, line 14, strike "anywhere" and after "area" insert "*and be a user of transit services who is identified by the council on disability, pursuant to section 256.482, as an individual with a disability. The transit board shall consider nominations from the council on disability*"

Page 1, lines 17 to 21, delete the new language

Page 1, line 24, delete "*first*"

Page 1, line 25, delete everything after "occurs" and insert "*in the term of the at-large member*"

Page 2, line 1, delete everything before the period

Amend the title as follows:

Page 1, line 2, delete "at"

Page 1, line 3, delete "least" and after "of" insert "the"

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 434: A bill for an act relating to traffic regulations; making technical changes and clarifications; prohibiting buses from following too closely; providing exceptions to restrictions on installing television screens in motor vehicles; providing for auxiliary lights when headlights are obstructed by snowplow blade; requiring use of shoulder belt when motor vehicle is so equipped; providing exception for law enforcement vehicles to restriction on objects hanging between driver and windshield; abolishing authority for designating official stations for adjusting vehicle lights and brakes; amending Minnesota Statutes 1992, sections 169.14, subdivision 10; 169.18, subdivisions 5 and 8; 169.471, subdivision 1; 169.56, subdivisions 3, 4, and by adding a subdivision; 169.60; 169.686, subdivision 1; and 169.71, subdivision 1; repealing Minnesota Statutes 1992, section 169.77.

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

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

S.F. No. 444: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1 and 2; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1.

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

Page 6, after line 16, insert:

"Sec. 5. Minnesota Statutes 1992, section 363.02, is amended by adding a subdivision to read:

*Subd. 8. [RELIGIOUS ASSOCIATION.] Nothing in this chapter prohibits any religious association, religious corporation, or religious society that is not organized for private profit, or any institution organized for educational purposes that is operated, supervised, or controlled by a religious association, religious corporation, or religious society that is not organized for private profit, from:*

*(1) limiting admission to or giving preference to persons of the same religion or denomination; or*

*(2) in matters relating to sex or sexual orientation, taking any action with respect to education, employment, housing and real property, or use of facilities that is consistent with its internal organization or ecclesiastical rule, custom, or law, and that is necessary to promote the religious tenets, teachings, or principles for which it is established or maintained. This clause applies only when the relationship between the association and the individual or group is religious and not secular in nature."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "and" and insert a comma and after "2" insert "and by adding a subdivision"

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

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

S.F. No. 239: A bill for an act relating to agriculture; extending the farmer-lender mediation program; 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 1992, section 583.24, subdivision 4, is amended to read:

Subd. 4. [DEBTS.] The farmer-lender mediation act does not apply to a debt:

(1) for which a proof of claim form has been filed in bankruptcy by a creditor or that was listed as a scheduled debt, of a debtor who has filed a petition in bankruptcy after July 1, 1987, under United States Code, title 11, chapter 7, 11, 12, or 13;

(2) if the debt was in default when the creditor received a mediation proceeding notice under the farmer-lender mediation act and the creditor filed a claim form, the debt was mediated during the mediation period under section 583.26, subdivision 8, and (i) the mediation was unresolved; or (ii) a mediation agreement with respect to that debt was signed;

(3) for which the creditor has served a mediation notice, the debtor has failed to make a timely request for mediation, and within 45 60 days after the

debtor failed to make a timely request the creditor began a proceeding to enforce the debt against the agricultural property of the debtor;

(4) for which a creditor has received a mediation proceeding notice and the creditor and debtor have restructured the debt and have signed a separate mediation agreement with respect to that debt; or

(5) for which there is a lien for rental value of farm machinery under section 514.661 or a lien for rental value relating to a contract for deed subject to the farmer-lender mediation act under section 559.2091.”

Page 1, after line 18, insert:

“Sec. 4. [EFFECTIVE DATE.]

*Sections 2 and 3 are effective July 1, 1993. Section 1 is effective August 1, 1993.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “increasing time period for creditor to enforce a debt;”

Page 1, line 3, after “amending” insert “Minnesota Statutes 1992, section 583.24, subdivision 4; and”

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

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

S.F. No. 115: A bill for an act relating to livestock; exempting sales of horses from the sales tax; limiting liability for certain injuries arising out of livestock activities; amending Minnesota Statutes 1992, sections 297A.01, subdivision 3; 297A.25, by adding a subdivision; and 297A.44, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Pages 7 to 9, delete section 4

Page 9, delete lines 16 and 17

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete everything after “1” and insert a period

Page 1, delete line 8

And when so amended the bill be re-referred to the Committee on Taxes and Tax Laws without recommendation. Amendments adopted. Report adopted.

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

S.F. No. 247: A bill for an act relating to medical records; clarifying a patient’s right of access to medical records; amending Minnesota Statutes 1992, section 144.335, subdivision 1.

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

Pages 1 and 2, delete section 1 and insert:

“Section 1. Minnesota Statutes 1992, section 144.335, is amended by adding a subdivision to read:

*Subd. 3b. [INDEPENDENT MEDICAL EXAMINATION.] This section applies to the subject and provider of an independent medical examination requested by or paid for by a third party. Notwithstanding subdivision 3a, a provider may release health records created as part of an independent medical examination to the third party who requested or paid for the examination.”*

Page 2, line 7, after “DATE” insert “; APPLICATION”

Page 2, line 10, after the period, insert “Nothing in section 1 creates a physician-patient relationship.”

Amend the title as follows:

Page 1, line 4, after “144.335,” insert “by adding a” and delete “1”

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

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

H.F. No. 358: 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 1992, sections 3.9741; 10A.01, subdivision 18; 10A.49, subdivisions 2 and 3; 11A.23, subdivision 1; 13.32, subdivisions 3 and 5; 13.791; 13.99, subdivision 82; 16B.06, subdivision 2a; 18C.551, subdivision 3; 43A.317, subdivision 9; 60A.74, subdivision 6; 62A.44, subdivision 2; 62J.21; 65B.09, subdivision 1; 79.251, subdivision 6; 79A.01, subdivision 1; 80C.18, subdivision 1; 80E.09, subdivision 2; 86B.321, subdivision 1; 103G.293; 116R.01, subdivision 6; 120.064, subdivision 6; 123.39, subdivision 8d; 144.878, subdivision 2; 148B.06, subdivision 2; 148C.11, subdivision 4; 168.187, subdivision 26; 169.797, subdivision 1; 240.011; 245A.18; 256B.0644; 256B.19, subdivision 1a; 268.071, subdivision 3; 289A.20, subdivision 4; 290.9201, subdivision 7; 290A.03, subdivision 13; 325E.0681, subdivision 9; 326.43; 349.151, subdivision 2; 349.19, subdivision 6; 349.31, subdivision 1; 352.03, subdivision 16; 352C.021, subdivision 6; 357.11; 471.617, subdivision 1; 473.516, subdivision 1; 473.704, subdivision 17; 473.811, subdivisions 6, 7, 8, and 9; 475.66, subdivision 3; 477A.13; 480.15, subdivision 9; 480.059, subdivision 7; 525.9221; 551.04, subdivision 14; 600.02; 609.3471; 626.556, subdivision 10; and 626.861, subdivision 3; repealing Minnesota Statutes 1992, sections 61A.011, subdivision 8; 240.01, subdivision 14; 240.011, subdivision 1; 334.011, subdivision 4; and 480.0591, subdivision 3; Laws 1991, chapter 254, article 3, section 21.

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

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

S.F. No. 234: A bill for an act relating to juvenile justice; defining "child in need of protection or services" and "child abuse"; amending Minnesota Statutes 1992, section 260.015, subdivision 2a, and 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 and Consumer Protection, to which was re-referred

S.F. No. 112: A bill for an act relating to insurance; workers' compensation; regulating the state fund mutual insurance company; requiring the workers' compensation reinsurance association to provide funds; amending Minnesota Statutes 1992, sections 176A.02, by adding a subdivision; 176A.11; proposing coding for new law in Minnesota Statutes, chapter 79.

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

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

S.F. No. 176: A bill for an act relating to insurance; workers' compensation; regulating distributions of excess surplus made by the workers' compensation reinsurance association; clarifying the law regulating distributions of excess surplus; amending Minnesota Statutes 1992, section 79.34, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 79.

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

Delete everything after the enacting clause and insert:

**"Section 1. [1992 WORKERS' COMPENSATION REINSURANCE ASSOCIATION EXCESS SURPLUS DISTRIBUTION.]**

*Subdivision 1. [SCOPE.] This section governs any distribution of excess surplus made by the workers' compensation reinsurance association in 1992 other than distributions to self-insured members of the association. No distribution of that excess surplus other than that provided by this section may be made. For the purpose of this section, a distribution is made upon the actual distribution of funds from the association.*

*Subd. 2. [STATE FUND MUTUAL INSURANCE COMPANY.] Any distribution of excess surplus of the workers' compensation reinsurance association received by the state fund mutual insurance company in 1992 must be returned to policyholders. Each policyholder shall receive a share of the company's distribution equal to the policyholder's proportionate share of the company's 1991 earned Minnesota workers' compensation insurance premium, as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*



*Subd. 3. [ASSIGNED RISK PLAN.] Any distribution of excess surplus of the workers' compensation reinsurance association in 1992 received by the assigned risk plan must be returned to policyholders. Each policyholder shall receive a share of the distribution equal to the policyholder's proportionate share of the assigned risk plan's 1991 earned Minnesota workers' compensation premium as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*

*Subd. 4. [INSURED EMPLOYERS.] Any distribution of excess surplus of the workers' compensation reinsurance association in 1992 received by insurers and not governed by subdivisions 2 and 3 must be returned to policyholders. Each policyholder shall receive a share of the distribution equal to the policyholder's proportionate share of its company's 1991 earned Minnesota workers' compensation premium, as reported in its 1991 annual statement under Minnesota Statutes, section 60A.13, subdivision 8.*

*In no case shall the distribution exceed the policyholder's earned premium for 1991. If any portion of the refund remains after the distribution required under this subdivision has been made, a further distribution based upon 1990 earned premiums, or such additional years' earned premiums as necessary to fully distribute the refund, shall be made by applying the method of calculation set forth in this subdivision.*

*Subd. 5. [PENALTY.] Except as provided in subdivision 6, any insurer which has not distributed its portion of the 1992 workers' compensation reinsurance association refund to its policyholders as of the effective date of this subdivision shall do so no later than 30 days after that date. It will be a violation of Minnesota Statutes, section 45.027, for each day each distribution remains unpaid thereafter.*

*Subd. 6. [UNCLAIMED REFUNDS.] Any part of the distribution not distributed within one year after it is required to be distributed under subdivision 5 due to the inability to identify or locate policyholders shall be returned to the workers' compensation reinsurance association.*

*Subd. 7. [ADMINISTRATION.] The commissioner of commerce may issue any order necessary to implement this section. The orders are not rules subject to Minnesota Statutes, chapter 14. The workers' compensation reinsurance association shall perform any duties ordered by the commissioner necessary to implement this section. The association shall not be reimbursed for the cost of performing any of those duties.*

**Sec. 2. [79.361] [POST 1992 DISTRIBUTION OF WORKERS' COMPENSATION REINSURANCE ASSOCIATION SURPLUS.]**

*Subdivision 1. [SCOPE.] This section governs the distribution of excess surplus of the workers' compensation reinsurance association made after January 1, 1993. No distribution of that excess surplus other than that provided by this section may be made. For the purpose of this section, a*

distribution is made upon the actual distribution of funds from the association.

**Subd. 2. [SELF-INSURED.]** A self-insurer shall receive a distribution of excess surplus in an amount equal to the self-insurer's share of the premiums paid to the workers' compensation reinsurance association for the period and for each retention layer for which the refund is made.

**Subd. 3. [INSURED EMPLOYERS.]** A policyholder, other than a policyholder insured by the assigned risk plan or the state fund mutual insurance company, shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in the most recent annual statements of insurers, including the assigned risk plan and the state fund mutual insurance company, under section 60A.13, subdivision 8.

**Subd. 4. [ASSIGNED RISK PLAN.]** A policyholder of the assigned risk plan shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in the most recent annual statements of insurers, including the assigned risk plan and the state fund mutual insurance company, under section 60A.13, subdivision 8.

**Subd. 5. [STATE FUND MUTUAL INSURANCE COMPANY.]** A policyholder of the state fund mutual insurance company shall receive a share of the distribution equal to the policyholder's share of the annual total earned Minnesota workers' compensation insurance premium, as reported in the most recent annual statements of insurers, including the assigned risk plan and the state fund mutual insurance company, under section 60A.13, subdivision 8.

**Subd. 6. [DISTRIBUTION DEFINED.]** For the purpose of subdivisions 3, 4, and 5, "distribution" means the distribution described in subdivision 1 minus the distribution to self-insurers under subdivision 2.

**Subd. 7. [POLICYHOLDER.]** For the purpose of this section "policyholder" means a policyholder in the period covered by the most recent annual statement under section 60A.13, subdivision 8.

**Subd. 8. [COMMISSIONER OF COMMERCE; DUTIES.]** The commissioner of commerce shall administer the distributions governed by this section. The commissioner may order the workers' compensation reinsurance association and insurers to assist in administering the distribution. The association shall not be reimbursed for the assistance. The reinsurance association and insurers must comply with any order of the commissioner relating to the distribution. Insurers must provide the commissioner of commerce or the workers' compensation reinsurance association with information necessary to administer the distributions governed by this section.

**Subd. 9. [PENALTY.]** Failure to comply with an order of the commissioner under this section is a violation of section 45.027 for each day of noncompliance.

**Subd. 10. [UNCLAIMED REFUND.]** Any part of the refund not distributed within one year after the due date of a distribution under this section due to the inability to identify or locate policyholders remains with the workers' compensation reinsurance association.

Sec. 3. Minnesota Statutes 1992, section 79.34, is amended by adding a subdivision to read:

*Subd. 2a. [DEFICIENCY.] If the board determines that inadequate funds are available to pay claims, the board shall determine the amount of the deficiency. The deficiency shall be made up by imposing an assessment rate against self-insured members and policyholders of insurer members. The board shall notify the commissioner of commerce of the amount of the deficiency and recommend an assessment rate. The commissioner shall order an assessment at a rate and for the time period necessary to eliminate the deficiency. The assessment rate shall be applied to the exposure base of self-insured employers and insured employers. The assessment may not be retroactive and applies only prospectively. The assessment may be spread over a period of time that will cause the least financial hardship to employers. All assessments under this subdivision are payable to the association. The commissioner may issue orders necessary to administer this section. The orders are not rules subject to chapter 14.*

Sec. 4. [79.362] [WORKERS' COMPENSATION REINSURANCE ASSOCIATION EXCESS SURPLUS DISTRIBUTION.]

*An order of the commissioner of the department of labor and industry relating to the distribution of excess surplus of the workers' compensation reinsurance association shall be reviewed by the commissioner of commerce. The commissioner may amend, approve, or reject an order or issue further orders to accomplish the purposes of sections 1 to 3. The commissioner may not change the amount of the distribution ordered by the commissioner of labor and industry without agreement of the commissioner of labor and industry. An order of the commissioner under this section is not a rule subject to chapter 14.*

Sec. 5. [RESOLUTIONS AND ORDER NULLIFIED.]

*Any resolution or plan of operation of the workers' compensation reinsurance association or order of the commissioner of labor and industry that purports to grant any claim to insurer members of the association to excess surplus and that conflicts with section 1 or 2 is nullified to the extent of the conflict.*

Sec. 6. [79.363] [DISTRIBUTION OF EXCESS SURPLUS.]

*The distribution of excess surplus of the workers' compensation reinsurance association is not a distribution of excess premiums to members.*

Sec. 7. [DISTRIBUTION EARNINGS.]

*For the purpose of section 1, the distribution to policyholders of excess surplus shall include any earnings on a surplus distribution during the period the distribution was in the possession of an insurer.*

Sec. 8. [JUDICIAL CHALLENGE.]

*The Minnesota supreme court shall have original jurisdiction over any dispute relating to the constitutionality of this act and shall expedite the resolution of the dispute.*

Sec. 9. [EFFECTIVE DATE.]

*This act is effective the day following final enactment and applies retroactively to distributions of excess surplus by the workers' compensation reinsurance association made after January 1, 1992.*"

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

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

S.F. No. 502: A bill for an act relating to health; asbestos abatement; modifying provisions relating to asbestos-related work, licenses, and fees; providing penalties; amending Minnesota Statutes 1992, sections 326.71, subdivisions 3, 4, 5, 6, 8, and by adding subdivisions; 326.72; 326.73; 326.74; 326.75; 326.76; 326.78; 326.785; 326.79; 326.80; and 326.81; repealing Minnesota Statutes 1992, sections 326.71, subdivision 7.

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

Page 1, line 27, after the period, insert *"In the case of single or multifamily residences, "asbestos-related work" also means the enclosure, repair, removal, or encapsulation of greater than ten but less than 260 lineal feet of friable asbestos-containing material on pipes or ducts or greater than six but less than 160 square feet of friable asbestos-containing material on other facility components."*

Page 3, after line 35, insert:

*"The domiciled owner of a single family residence is not required to hold a license or pay a project permit fee to conduct asbestos-related work in the domiciled residence."*

Page 6, lines 21 and 22, delete the new language

Page 6, delete line 31 and insert *"and 4."*

Page 6, line 35, after the period, insert *"For asbestos-related work performed in single or multifamily residences, a person shall pay a project permit fee of \$35 to the commissioner."*

Page 7, line 4, delete everything after the period

Page 7, delete line 5

Page 8, line 9, delete the new language

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 Care, to which was referred

S.F. No. 372: A bill for an act relating to health; clean indoor air act; adding common areas of apartments and condominiums to public places where smoking is prohibited; amending Minnesota Statutes 1992, section 144.413, subdivision 2.

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

Page 1, line 15, delete *"and"*

Page 1, line 16, after the comma, insert "*and guest sleeping rooms available for use by condominium members and their guests,*"

And when so amended the bill do pass. Mr. Novak questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 567: A bill for an act relating to elections; changing registration, filing, boundary change, ballot preparation, canvassing, system testing, and notice requirements and procedures; changing certain duties of election officials; clarifying certain language; adding to reimbursable expenses; amending Minnesota Statutes 1992, sections 201.071, subdivision 1; 201.081; 201.11; 201.13, subdivision 2, and by adding a subdivision; 201.15; 204B.06, subdivisions 4 and 6; 204B.14, subdivision 4; 204B.16, by adding a subdivision; 204B.46; 204C.06, subdivision 1; 204C.31, subdivision 2; 204C.32; 204D.04, subdivision 2; 204D.11, subdivisions 2, 3, and 6; 204D.24, subdivision 2; 204D.27, subdivision 11; 206.83; 206.90, subdivision 6; 207A.02, subdivision 1; 207A.10, subdivision 2; 211B.11, subdivision 1; 211B.14; and 365.51, subdivision 2.

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

Page 13, line 2, delete "*and*" and insert "*offices,*"

Page 14, line 10, delete "*100 feet*"

Page 14, line 11, delete "*of the entrance to*" and reinstate the stricken language

Page 14, line 12, reinstate the stricken language and before "*on*" insert "*, or anywhere on the public property on which a polling place is situated,*"

Page 15, after line 14, insert:

"Sec. 28. [EFFECTIVE DATE.]

*Section 24 is effective the day following final enactment.*"

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 371: A resolution memorializing the President and Congress to retain the Grand Forks Air Force Base, Grand Forks, North Dakota.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 339: A bill for an act relating to veterans affairs; establishing a grant program to enhance the effectiveness of county veterans service offices;

increasing the complement of the department of veterans affairs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

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

Page 3, delete line 23

Page 3, line 24, before "The" insert "Subd. 7. [AGENCY COMPLEMENT.]"

Page 3, delete section 3 and insert:

"Sec. 2. [197.609] [ESTABLISHMENT AND ADMINISTRATION.]

*Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An education program for county veterans service officers is established and is administered by the commissioner of veterans affairs.*

*Subd. 2. [ELIGIBILITY.] To be eligible for the program in this section, a person must currently be employed as a county veterans service officer as authorized by sections 197.60 to 197.606, and be certified to serve in that position by the commissioner of veterans affairs or be serving a probationary period as authorized by section 197.60, subdivision 2.*

*Subd. 3. [PROGRAM CONTENT.] The program in this section must include, but is not limited to, informing county veterans service officers of the federal, state, and private benefits and services available to veterans, training them in procedures for applying for these benefits, updating them on the changes in these benefits and the eligibility criteria and application procedures, informing them of judicial and regulatory decisions involving veterans programs, training them in the legal procedures for appealing decisions disallowing benefits to veterans, and providing education, information, and training for any other aspects of the veterans service officer position.*

*Subd. 4. [AGENCY COMPLEMENT.] The approved full-time equivalent of the department of veterans affairs is increased for fiscal year 1994 by .... positions for purposes of conducting this program. These positions are in addition to any other approved complement for the department. Part-time employment of persons is authorized.*

Sec. 3. [APPROPRIATIONS.]

*(a) \$..... is appropriated for fiscal year 1994 from the general fund to the department of veterans affairs for the grant program provided under section 1. Of this amount, \$..... may be used by the commissioner to administer the program.*

*(b) \$..... is appropriated for fiscal year 1994 from the general fund to the department of veterans affairs for the education program provided under section 2.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective July 1, 1993."*

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "establishing an education program for veterans service officers;"

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 Crime Prevention, to which was re-referred

S.F. No. 103: A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include certain senior citizen activities, certain real estate taxes and assessments, and wildlife management projects; prohibiting the use of lawful purpose contributions by local governmental units in pension or retirement funds; exempting organizations with gross receipts of \$50,000 or less from the annual audit; expanding the definition of a class C license; making class C licensee reporting requirements quarterly; modifying the definition of allowable expense to include some advertising costs; eliminating additional compensation for the state lottery director; clarifying and strengthening the regulation of the conduct of bingo; prohibiting all gambling by persons under 18 except for certain raffles; modifying the definition of net profits for local assessments; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.25, by adding a subdivision; 240.26, subdivision 3; 299L.03, subdivisions 1 and 2; 299L.07, by adding a subdivision; 349.12, subdivisions 1, 3a, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivisions 6 and 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 6, 8, and 9; 349.191, subdivisions 1, 4, and by adding a subdivision; 349.211, subdivisions 1 and 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2, 4, and by adding a subdivision; 349.213, subdivision 1; 349A.03, subdivision 2; and 349A.12, subdivisions 1, 2, and 6; proposing coding for new law in Minnesota Statutes, chapters 471; and 609; repealing Minnesota Statutes 1992, sections 349A.03, subdivision 3; and 349A.12, subdivision 5.

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

Page 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1992, section 240.13, subdivision 8, is amended to read:

Subd. 8. [PROHIBITED ACTS.] (a) A licensee may not accept a bet or a *pari-mutuel ticket for payment* from any person under the age of 18 years; and. It is an affirmative defense to a charge under this paragraph for the licensee to prove by a preponderance of the evidence that the licensee, reasonably and

*in good faith, relied upon representation of proof of age described in section 340A.503, subdivision 6, in accepting the bet or pari-mutuel ticket for payment.*

(b) A licensee may not accept a bet of less than \$1.”

Page 2, line 29, before “chapter” insert “this” and delete “ 240”

Page 4, line 6, delete “premises” and insert “organization” in both places

Page 8, line 32, strike “, except as provided in clause (6)”

Page 16, delete lines 34 and 35 and insert:

*“(8) the board has determined, based on the person’s prior activities or criminal record, if any, that the person poses a threat to the public”*

Page 17, line 1, delete “create or enhance” and insert “creates or enhances”

Page 22, delete lines 21 and 22 and insert:

*“(8) the board has determined, based on the person’s prior activities or criminal record, if any, that the person poses a threat to the public”*

Page 22, line 24, delete “create or enhance” and insert “creates or enhances”

Page 25, delete lines 35 and 36 and insert:

*“(7) the board has determined, based on the person’s prior activities or criminal record, if any, that the person poses a threat to the public”*

Page 26, line 2, delete “create or enhance” and insert “creates or enhances”

Page 34, lines 14 and 15, delete “. for example, the 51st number,” and insert “(for example – the 51st number)”

Page 34, line 20, delete everything before “is” and insert “ number (for example – the 51st number)”

Page 42, line 17, after the semicolon, insert “and”

Page 42, line 19, delete the semicolon

Page 42, lines 20 to 27, delete the new language

Page 45, line 3, delete “bingo hard card or paper sheet,”

Page 45, line 9, delete “bingo hard card”

Page 45, line 10, delete “or paper sheet,”

Page 47, line 19, delete the new language

Page 47, delete line 20 and insert “may not sell and a lottery retailer or other person may not furnish or redeem for a prize a ticket in”

Page 47, lines 23 and 24, after “retailer” insert “or other person”

Page 47, after line 27, insert:

“Sec. 80: Minnesota Statutes 1992, section 349A.12, subdivision 5, is amended to read:



Subd. 5. [EXCEPTIONS.] Nothing in this chapter prohibits giving a state lottery ticket as a gift, ~~or buying provided that a state lottery ticket as a gift for~~ may not be given to a person under the age of 18."

Page 48, after line 4, insert:

"Sec. 83. Minnesota Statutes 1992, section 609.755, is amended to read:  
609.755 [ACTS OF OR RELATING TO GAMBLING.]

Whoever does any of the following is guilty of a misdemeanor:

- (1) makes a bet;
- (2) sells or transfers a chance to participate in a lottery;
- (3) disseminates information about a lottery, except a lottery conducted by an adjoining state, with intent to encourage participation therein;
- (4) permits a structure or location owned or occupied by the actor or under the actor's control to be used as a gambling place; or
- (5) ~~operates~~ *except where authorized by statute, possesses a gambling device.*

Clause (5) does not prohibit ~~operation~~ *possession or operation* of a gambling device in a person's dwelling for amusement purposes in a manner that does not afford players an opportunity to obtain anything of value."

Page 48, line 14, delete "*bingo hard card or paper sheet,*"

Page 48, line 18, before the semicolon, insert "*except with the consent of the person's parent or legal guardian*"

Page 48, line 24, delete "349A.12" and insert "349A.08"

Page 48, line 25, delete "5" and insert "3"

Page 48, line 27, delete "83" and insert "85"

Page 48, after line 29, insert:

"Sec. 87. [TRANSITION.]

*Section 78, 79, or 84 shall not prohibit a person under the age of 18 from redeeming a prize for a lottery ticket furnished to that person if the ticket was purchased prior to the effective date of these sections or if the lottery ticket was for an instant game that was introduced by the Minnesota state lottery prior to the effective date of this act. A person under the age of 18 may only claim a prize for the lottery under this section by presenting the lottery ticket at a Minnesota state lottery office or by mailing the ticket to the Minnesota state lottery. Any prize for the lottery redeemed under this section will be subject to Minnesota Statutes, section 349A.08, subdivision 3, and the applicable game procedures adopted by the director of the lottery. Section 75 shall not prohibit a person under the age of 18 from redeeming a ticket for entry in a raffle with a purchase price of over \$1 furnished to that person if the ticket was purchased prior to the effective date of this act."*

Page 48, line 31, delete "83" and insert "85" and delete "84" and insert "86"

Page 48, line 32, after the period, insert "*Section 85, paragraph (b), is effective August 1, 1994.*"

*Sections 1 to 3, 71, 73 to 75, 78 to 81, 83 and 84, are effective August 1, 1993, and apply to violations occurring on or after that date.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 26, delete "all" and insert "certain forms of"

Page 1, lines 27 and 28, delete "except for certain raffles"

Page 2, line 4, delete "and"

Page 2, line 5, after the first comma, insert "5," and after the semicolon, insert "and 609.755;"

Page 2, delete line 8 and insert "349A.08, 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, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 146 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.
146	109				

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. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for January 19, 1993:

#### TAX COURT

Dorothy McClung

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. 198, 313, 269, 434, 444, 247, 234, 112, 176, 567 and 371 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 358 and 146 were read the second time.

**MOTIONS AND RESOLUTIONS**

Ms. Berglin moved that the name of Mr. Solon be added as a co-author to S.F. No. 546. The motion prevailed.

Mr. Murphy moved that the names of Messrs. Price and Laidig be added as co-authors to S.F. No. 636. The motion prevailed.

Ms. Berglin moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 643. The motion prevailed.

Mr. Vickerman moved that the names of Messrs. Finn, Metzen and Murphy be added as co-authors to S.F. No. 647. The motion prevailed.

Mr. Vickerman moved that the names of Mr. Finn and Ms. Berglin be added as co-authors to S.F. No. 649. The motion prevailed.

Mr. Metzen moved that the name of Mr. Finn be added as a co-author to S.F. No. 675. The motion prevailed.

Mr. Chmielewski moved that the name of Mr. Belanger be added as a co-author to S.F. No. 682. The motion prevailed.

Ms. Berglin moved that the name of Mr. Finn be added as a co-author to S.F. No. 690. The motion prevailed.

Mr. Janezich moved that S.F. No. 487 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

Mr. Berg moved that S.F. No. 571 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Gaming Regulation. The motion prevailed.

Messrs. Vickerman, Bertram, Ms. Hanson, Messrs. Lessard and Larson introduced—

Senate Resolution No. 29: A Senate resolution commending Retired Army Major General James Sieben for his service as chairman of the Veterans Homes Board.

Referred to the Committee on Rules and Administration.

**GENERAL ORDERS**

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

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

S.F. Nos. 19, 177, 215, 274 and 32, which the committee recommends to pass.

S.F. No. 134, which the committee recommends to pass with the following amendments offered by Ms. Berglin:

Page 1, line 23, after the first "*commissioner*" insert "*of health*"

Page 2, line 3, after "*commissioner*" insert "*of human services*"

The motion prevailed. So the amendment was adopted.

Ms. Berglin then moved to amend S.F. No. 134 as follows:

Page 2, delete section 2

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 238, which the committee recommends to pass with the following amendment offered by Mr. Bertram:

Page 1, after line 11, insert:

*"(1) payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat;"*

Page 1, line 12, strike "(1)" and insert "(2)"

Page 1, line 15, strike "(2)" and insert "(3)"

Page 1, line 19, strike "(3)" and insert "(4)"

Page 1, line 22, after the semicolon, insert "*or*"

Page 1, line 23, delete "(4)" and insert "(5)" and delete "*a*" and delete "*rate*" and insert "*rates*"

Page 2, delete lines 8 to 10 and insert:

*"Section 1 is effective August 1, 1993, and is not subject to the contingency contained in Laws 1984, chapter 509, section 2."*

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.

### 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. 711: A bill for an act relating to the city of Inver Grove Heights; authorizing the extension of a tax increment financing district; authorizing the city to issue bonds in anticipation of the receipt of money from the state.

Referred to the Committee on Metropolitan and Local Government.

Mr. Solon, Ms. Reichgott, Messrs. Johnson, D.J. and Lessard introduced—

S.F. No. 712: A bill for an act relating to outdoor recreation; creating the

Lake Superior water trail; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Environment and Natural Resources.

Messrs. Solon and Metzen introduced—

S.F. No. 713: A bill for an act relating to the legislature; reducing its size; amending Minnesota Statutes 1992, section 2.021.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Ranum, Messrs. McGowan, Merriam and Betzold introduced—

S.F. No. 714: A bill for an act relating to government data; modifying provisions related to medical data; amending Minnesota Statutes 1992, sections 13.42, by adding a subdivision; 13.46, subdivisions 5 and 7; and 144.335, subdivision 3a.

Referred to the Committee on Judiciary.

Messrs. Riveness, Metzen, Pogemiller, Terwilliger and Hottinger introduced—

S.F. No. 715: A bill for an act relating to meetings of public bodies; changing exceptions and other conditions of the open meeting law; amending Minnesota Statutes 1992, section 471.705.

Referred to the Committee on Governmental Operations and Reform.

Mr. Chmielewski introduced—

S.F. No. 716: A bill for an act relating to Pine county; permitting the county board to extend certain temporary land use controls.

Referred to the Committee on Metropolitan and Local Government.

Mr. Cohen introduced—

S.F. No. 717: A bill for an act relating to consumer protection; sales; imposing restrictions on credit evaluations and investigations of buyers; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Stumpf; Finn; Betzold; Benson, D.D. and Moe, R.D. introduced—

S.F. No. 718: A bill for an act relating to education; establishing a grant program to promote recruitment and retention initiatives by nursing training programs directed toward persons of color; establishing a grant program for nursing students who are persons of color; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 719: A bill for an act relating to civil actions; specifying the responsibility of participants in recreational activities; proposing coding for new law as Minnesota Statutes, chapter 87A.

Referred to the Committee on Judiciary.

Mr. Hottinger, Ms. Piper, Messrs. Vickerman; Benson, D.D. and Stumpf introduced—

S.F. No. 720: A bill for an act relating to health; modifying loan forgiveness programs for health care professionals; establishing a grant program for nurse practitioner education; establishing nurse practitioner promotion teams; appropriating money; amending Minnesota Statutes 1992, sections 136A.1355, subdivision 3; 136A.1356, subdivision 4; 136A.1357; and Laws 1990, chapter 591, article 4, section 9; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Health Care.

Messrs. Vickerman, Chmielewski, Dille, Ms. Hanson and Mr. Murphy introduced—

S.F. No. 721: A bill for an act relating to railroads; allowing commissioner of transportation to spend money from rail service improvement account for acquiring or upgrading previously used railcars and locomotives; amending Minnesota Statutes 1992, section 222.50, subdivision 7.

Referred to the Committee on Transportation and Public Transit.

Mses. Johnson, J.B.; Piper; Berglin; Messrs. Moe, R.D. and Samuelson introduced—

S.F. No. 722: A bill for an act relating to the aid to families with dependent children program; directing the commissioner of human services to seek a waiver of federal law regarding the resource limits of a motor vehicle and a waiver allowing an AFDC recipient to deduct the cost of mandatory car insurance from earned income; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Family Services.

Messrs. Finn and Lessard introduced—

S.F. No. 723: A bill for an act relating to game and fish; authorizing seven-day fish house licenses for nonresidents; amending Minnesota Statutes 1992, section 97A.475, subdivision 12.

Referred to the Committee on Environment and Natural Resources.

Mr. Benson, D.D.; Ms. Johnston, Mr. Day, Ms. Lesewski and Mr. Oliver introduced—

S.F. No. 724: A bill for an act relating to state government; combining the departments of administration and finance; renaming and combining the departments of jobs and training and labor and industry; transferring functions and duties; appropriating money; amending Minnesota Statutes 1992, sections 3C.12, subdivision 2; 15.01; 15.06, subdivision 1; 15.08; 15A.081, subdi-

vision 1; 16A.01, subdivision 1; 16A.055, subdivision 1; 16A.632, subdivisions 1 and 2; 16B.01, subdivision 3; 16B.05, subdivision 2; 16B.052; 16B.06, subdivisions 1 and 2; 16B.24, subdivision 6a; 16B.28, subdivision 3; 16B.305, subdivision 2; 16B.31, subdivision 6; 16B.37, subdivisions 3 and 4; 16B.40, subdivision 4; 16B.465, subdivision 4; 16B.48, subdivision 4; 16B.51, subdivision 2; 16B.87, subdivision 1; 43A.08, subdivision 1a; 175.001; 176.181, subdivision 8; 192.52; 193.36, subdivision 2; 256.482, subdivision 5; 268.0111, subdivision 2; 268.12, subdivision 12; and 353.03, subdivision 3; repealing Minnesota Statutes 1992, sections 16B.02 and 16B.03.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Spear, Finn, Knutson, Cohen and Ms. Krentz introduced—

S.F. No. 725: A bill for an act relating to human services; changing the definition of mentally ill person and mentally retarded person; adding a definition for supervised environment; amending Minnesota Statutes 1992, sections 253B.02, subdivisions 13, 14, and by adding a subdivision; 253B.08, subdivision 7; 253B.09, subdivision 5; 253B.12, subdivision 2, and by adding subdivisions.

Referred to the Committee on Judiciary.

Mr. Mondale, Mses. Flynn and Pappas introduced—

S.F. No. 726: A bill for an act relating to metropolitan government; exempting regional park properties from taxation; providing for metropolitan council review of special assessments on regional park properties; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Price and Luther introduced—

S.F. No. 727: A bill for an act relating to natural resources; allowing the sale or exchange of land in a wildlife management area under certain conditions; amending Minnesota Statutes 1992, section 97A.135, subdivision 2, and by adding a subdivision; repealing Laws 1992, chapter 502, sections 4, 5, and 6.

Referred to the Committee on Environment and Natural Resources.

Messrs. Knutson, Metzen, Mrs. Pariseau, Ms. Wiener and Mr. Solon introduced—

S.F. No. 728: A bill for an act relating to liquor; authorizing the city of Apple Valley to issue on-sale licenses on zoological gardens property and to allow an on-sale license to dispense liquor on county-owned property within the city.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Piper, Messrs. Neuville, Laidig, Spear and Beckman introduced—

S.F. No. 729: A bill for an act relating to corrections; requiring the ombudsman to make biennial reports to the governor; amending Minnesota Statutes 1992, section 241.45, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Sams; Benson, D.D.; Morse; Bertram and Samuelson introduced—

S.F. No. 730: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Metzen, Kroening, Solon, Chandler and Benson, D.D. introduced—

S.F. No. 731: A bill for an act relating to labor management relations; establishing a grant program to support education in total quality management techniques in the small employer environment; appropriating money; amending Minnesota Statutes 1992, section 179.02, by adding a subdivision.

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

Messrs. Mondale; Pogemiller; Johnson, D.J.; Novak and Ms. Flynn introduced—

S.F. No. 732: A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; creating a pollution abatement loan and grant program in the department of trade and economic development; providing for loan repayment by municipalities; authorizing the issuance of bonds and the making of loans and grants; authorizing the establishment of pollution tax increment districts; exempting certain pollution districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving increment; allowing an authority to establish a guaranty or indemnification fund; appropriating money; amending Minnesota Statutes 1992, sections 115B.175, subdivision 6, and by adding a subdivision; 273.1399, subdivision 1; 469.174, subdivisions 4, 9, and by adding subdivisions; 469.175, subdivision 1, and by adding a subdivision; 469.176, subdivisions 1, 4, and by adding a subdivision; 469.1763, by adding a subdivision; and 469.177, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 115B; 116J; and 469.

Referred to the Committee on Environment and Natural Resources.

Ms. Pappas, Messrs. Chandler, Janezich and Samuelson introduced—

S.F. No. 733: A bill for an act relating to insurance; the comprehensive health association; changing the determination of premium rates; clarifying the authority of the commissioner of commerce; changing the composition of the association's board; amending Minnesota Statutes 1992, sections 62E.08;



62E.09; 62E.10, subdivision 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 62E.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Reichgott, Messrs. Hottinger; Moe, R.D.; Johnson, D.J. and Benson, D.D. introduced—

S.F. No. 734: A bill for an act relating to local government; enabling local government units to obtain waivers of state rules and laws; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83; and 465.87, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Pogemiller, Sams, Ms. Piper and Mr. Samuelson introduced—

S.F. No. 735: A bill for an act relating to health; increasing funding for the nutritional supplement program known as WIC to expand services; appropriating money.

Referred to the Committee on Family Services.

Ms. Berglin introduced—

S.F. No. 736: A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2, and by adding a subdivision; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

Referred to the Committee on Crime Prevention.

Mses. Johnston, Lesewski, Mr. McGowan, Ms. Anderson and Mr. Belanger introduced—

S.F. No. 737: A bill for an act relating to motor vehicles; requiring vehicle owner to transfer certificate of title upon gaining ownership to motor vehicle; allowing registrar to research records before responding to phone request; amending Minnesota Statutes 1992, sections 168.10, subdivision 1; 168.34; and 168A.30, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Ms. Flynn, Messrs. Luther, Mondale, Ms. Krentz and Mr. Finn introduced—

S.F. No. 738: A bill for an act relating to health; authorizing the commissioner of health to award grants to school districts to establish adolescent health care centers; establishing standards for adolescent health

care centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 123.

Referred to the Committee on Health Care.

Messrs. Solon, Vickerman, Dille and Sams introduced—

S.F. No. 739: A bill for an act relating to health; regulating ionization radiation; exempting practitioners of veterinary medicine from certain quality assurance tests; amending Minnesota Statutes 1992, section 144.121, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Sams, Beckman, Hottinger, Belanger and Kelly introduced—

S.F. No. 740: A bill for an act relating to the judiciary; eliminating the requirement that judges be elected; proposing an amendment to the Minnesota Constitution, article VI, section 7; amending Minnesota Statutes 1992, sections 204B.06, subdivision 4; 204B.08, subdivision 3; 204B.11; 204C.31, subdivision 2; 204C.35; 204D.02, subdivision 1; 204D.11, subdivisions 5 and 6; 204D.14, subdivision 2; 209.01, subdivision 2; 211A.01, subdivision 3; 211B.01, subdivision 3; 480A.02, subdivision 3; 487.03, subdivisions 1, 5, and 6; and 487.191; repealing Minnesota Statutes 1992, sections 204B.06, subdivision 6; 204B.34, subdivision 3; 204B.36, subdivisions 4 and 5; 480A.02, subdivisions 2 and 4; and 487.03, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Cohen introduced—

S.F. No. 741: A bill for an act relating to civil actions; authorizing appeals from the decisions of civil service commissions by both cities and their employees on the same basis and to the same extent; amending Minnesota Statutes 1992, section 480A.06, subdivision 4.

Referred to the Committee on Judiciary.

Ms. Anderson, Messrs. Luther and Chandler introduced—

S.F. No. 742: A bill for an act relating to insurance; no-fault auto; excluding certain vehicles from the right of indemnity granted by the no-fault act; amending Minnesota Statutes 1992, section 65B.53, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Solon introduced—

S.F. No. 743: A bill for an act relating to public employment; providing an employer-paid health insurance early retirement window.

Referred to the Committee on Governmental Operations and Reform.

Ms. Piper, Messrs. Sams, Mondale, Mses. Anderson and Flynn introduced—

S.F. No. 744: A bill for an act relating to human services; providing a

cost-of-living adjustment for personal care assistants; amending Minnesota Statutes 1992, section 256B.0625, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Riveness, Metzen, Kroening, Ms. Wiener and Mr. Moe, R.D. introduced—

S.F. No. 745: A bill for an act relating to state departments; abolishing the office of strategic and long-range planning and transferring certain responsibilities and personnel to other departments; amending Minnesota Statutes 1992, sections 116C.03, subdivisions 2, 4, and 5; 116C.712, subdivisions 3 and 5; 126A.02, subdivision 2; 145A.02, subdivision 16; 275.14; 299A.31, subdivision 1; 368.01, subdivision 1a; 373.40; subdivision 1; 477A.011, subdivisions 3 and 3a; and 477A.014, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, sections 4A.01; 4A.02; 4A.03; and 4A.04.

Referred to the Committee on Governmental Operations and Reform.

Ms. Reichgott introduced—

S.F. No. 746: A bill for an act relating to limited liability companies; requiring biennial registration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 322B.

Referred to the Committee on Judiciary.

Mr. Moe, R.D. introduced—

S.F. No. 747: A bill for an act relating to human services; creating an exception to the moratorium on the development of group residential housing beds; amending Minnesota Statutes 1992, section 256I.04, subdivision 3.

Referred to the Committee on Health Care.

Mr. Betzold, Ms. Berglin, Messrs. Benson, D.D.; Sams and Ms. Kiscaden introduced—

S.F. No. 748: A bill for an act relating to human services; clarifying day training and habilitation transportation exemptions; clarifying that counties may contract with hospitals to provide outpatient mental health services; clarifying the definition of crisis assistance; increasing the allowable duration of unlicensed, single-family respite care; clarifying the definition of related condition and application procedures for family support grants; correcting references to case management and hospital appeals; clarifying eligibility for case management services; clarifying nursing facility rate adjustments; clarifying the calculation and allowing 12-month plans for special needs exceptions; clarifying requirements for health care provider participation; clarifying voluntary spend-down procedures; amending Minnesota Statutes 1992, sections 174.30, subdivision 1; 245.470, subdivision 1; 245.4871, subdivision 9a; 245.4876, subdivision 2; 245.488, subdivision 1; 245A.03, subdivision 2; 252.27, subdivisions 1 and 1a; 252.32, subdivision 1a; 256.045, subdivision 4a; 256.9686, subdivision 6; 256.9695, subdivisions 1 and 3; 256B.056, subdivision 5; 256B.0625, subdivisions 6a, 7, and 19a; 256B.0644; 256B.092, subdivisions 1, 1b, 1g, 7, and 8a; 256B.431, subdivision 10; 256B.48, subdivision 3a; 256B.501, subdivision 8; and

609.115, subdivision 9; repealing Minnesota Statutes 1992, section 256B.0629.

Referred to the Committee on Health Care.

Mr. Beckman, Ms. Hanson, Messrs. Hottinger, Chandler and Price introduced—

S.F. No. 749: A bill for an act relating to education; increasing the basic revenue allowance; appropriating money; amending Minnesota Statutes 1992, section 124A.22, subdivision 2.

Referred to the Committee on Education.

Ms. Pappas, Messrs. Kelly; Johnson, D.J.; Ms. Berglin and Mr. Marty introduced—

S.F. No. 750: A bill for an act relating to Black Minnesotans; providing for a study of the immigration status of persons of African descent; appropriating money.

Referred to the Committee on Veterans and General Legislation.

Ms. Pappas, Messrs. Luther, Solon and Larson introduced—

S.F. No. 751: A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; authorizing local units of government to license and otherwise regulate these facilities; establishing record keeping and reporting requirements; prescribing penalties and providing remedies; proposing coding for new law in Minnesota Statutes, chapter 461.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Vickerman, Marty, Meses. Piper, Berglin and Mr. Spear introduced—

S.F. No. 752: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

Referred to the Committee on Agriculture and Rural Development.

Mr. Chandler introduced—

S.F. No. 753: A bill for an act relating to employment; regulating employee invention agreements; amending Minnesota Statutes 1992, section 181.78, by adding a subdivision.

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

Ms. Runbeck, Mrs. Pariseau, Messrs. Marty and Laidig introduced—

S.F. No. 754: A bill for an act relating to elections; requiring annual removal of registration cards of deceased registrants; requiring annual update of the statewide registration system; amending Minnesota Statutes 1992, section 201.13.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Bertram introduced—

S.F. No. 755: A bill for an act relating to campaign reform; banning caucus fund raisers during a legislative session; amending Minnesota Statutes 1992, section 10A.065, subdivisions 1 and 5.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Metzen, Ms. Wiener, Mr. Murphy, Mrs. Pariseau and Mr. Belanger introduced—

S.F. No. 756: A bill for an act relating to human services; continuing the mental health pilot project in Dakota county; appropriating money.

Referred to the Committee on Health Care.

Mr. Chmielewski introduced—

S.F. No. 757: A bill for an act relating to traffic regulations; repealing executive authority to set vehicle speed limits by executive order; making conforming changes; amending Minnesota Statutes 1992, sections 169.983; and 169.99, subdivision 1b; repealing Minnesota Statutes 1992, sections 13.99, subdivision 56; 169.141; and 171.12, subdivision 6.

Referred to the Committee on Transportation and Public Transit.

Mr. Chmielewski introduced—

S.F. No. 758: A bill for an act relating to traffic regulations; requiring all motorcycle operators and passengers under the age of 21 to wear protective helmets; amending Minnesota Statutes 1992, section 169.974, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Mr. Chmielewski introduced—

S.F. No. 759: A bill for an act relating to traffic regulation; revising the crime of reckless driving; replacing the crime of careless driving with an inattentive driving offense; providing penalties; amending Minnesota Statutes 1992, section 169.13, subdivisions 1 and 2.

Referred to the Committee on Transportation and Public Transit.

Messrs. Price, Morse, Lessard, Luther and Chandler introduced—

S.F. No. 760: A bill for an act relating to natural resources; granting power to the commissioner of natural resources to give nominal gifts, acknowledge significant contributions and sell incidental advertising; amending Minnesota Statutes 1992, section 84.027, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck, Mr. Stevens, Ms. Krentz, Messrs. Finn and Chandler introduced—

S.F. No. 761: A bill for an act relating to family day care licensing; providing incentives for counties; amending Minnesota Statutes 1992, section 245A.16, by adding a subdivision.

Referred to the Committee on Family Services.

Messrs. Morse; Solon; Johnson, D.J.; Murphy and Stumpf introduced—

S.F. No. 762: A bill for an act relating to transportation; ports and waterways; appropriating money for port development assistance program.

Referred to the Committee on Transportation and Public Transit.

Mr. Solon introduced—

S.F. No. 763: A bill for an act relating to retirement; Duluth's joint police and fire consolidation account of the public employees police and fire fund; authorizing the payment of a retirement annuity to a former Duluth police relief association member.

Referred to the Committee on Governmental Operations and Reform.

Messrs. McGowan, Laidig, Mrs. Benson, J.E. and Mr. Spear introduced—

S.F. No. 764: A bill for an act relating to criminal procedure; authorizing the presence of a supportive person during certain criminal proceedings in which a minor is testifying as a prosecuting witness; amending Minnesota Statutes 1992, section 631.046, subdivision 1.

Referred to the Committee on Crime Prevention.

Mrs. Pariseau and Mr. Laidig introduced—

S.F. No. 765: A bill for an act relating to legislature; changing the size of the legislature; restricting certain reapportionment procedures; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

Referred to the Committee on Ethics and Campaign Reform.

Messrs. Terwilliger, Belanger and Benson, D.D. introduced—

S.F. No. 766: A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 1; allowing recreational property owners to vote on bonding and property tax questions where the recreational property is located; providing implementing language; proposing coding for new law in Minnesota Statutes, chapter 204B.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Benson, D.D.; Ms. Kiscaden, Flynn, Messrs. Pogemiller and Day introduced—

S.F. No. 767: A bill for an act relating to taxation; providing a deduction from the hospital or health care provider tax for research and education

spending; amending Minnesota Statutes 1992, section 295.53, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Hottinger, Price, Belanger, Kroening and Samuelson introduced—

S.F. No. 768: A bill for an act relating to commerce; granting motor fuel retailers the option to purchase from wholesalers other than the refiner; proposing coding for new law in Minnesota Statutes, chapter 80C.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin, Messrs. Solon, Janezich, Mses. Wiener and Kiscaden introduced—

S.F. No. 769: A bill for an act relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment; amending Minnesota Statutes 1992, section 62A.152, subdivisions 2 and 3.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Bertram introduced—

S.F. No. 770: A bill for an act relating to education; allowing the Rocori Middle School to retain its name.

Referred to the Committee on Education.

Messrs. Bertram and Sams introduced—

S.F. No. 771: A bill for an act relating to motor fuels; changing formula for payments made to producers of ethanol; increasing oxygenate level requirements for gasoline; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; and 239.791, subdivisions 1 and 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Frederickson introduced—

S.F. No. 772: A bill for an act relating to education; authorizing a fund transfer for the Glencoe school district.

Referred to the Committee on Education.

Messrs. Sams, Langseth, Berg, Day and Samuelson introduced—

S.F. No. 773: A bill for an act relating to transportation; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, section 161.082, subdivision 2a.

Referred to the Committee on Transportation and Public Transit.

Messrs. Lessard, Finn, Samuelson and Moe, R.D. introduced—

S.F. No. 774: A bill for an act relating to natural resources; notifying the department of transportation to comply with the comprehensive plan for the

Mississippi headwaters area; authorizing special projects to be approved by the Mississippi headwaters board with costs assessed to benefited counties; appropriating money; amending Minnesota Statutes 1992, section 103F.371; proposing coding for new law in Minnesota Statutes, chapter 103F.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 775: A bill for an act relating to municipal contracts; allowing awards of contracts to certain bidders; amending Minnesota Statutes 1992, section 471.345, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Spear, Marty, Neuville and Ms. Anderson introduced—

S.F. No. 776: A bill for an act relating to crime; increasing penalties for driving while intoxicated with a child under 16 in the vehicle; amending Minnesota Statutes 1992, sections 168.042, subdivision 2; 169.121, subdivision 3; and 169.1217, subdivision 1.

Referred to the Committee on Crime Prevention.

Ms. Johnson, J.B.; Mr. Moe, R.D.; Ms. Anderson, Messrs. Morse and Novak introduced—

S.F. No. 777: A bill for an act relating to energy conservation; providing alternative financing methods for municipalities to pay the costs of energy conservation investments; authorizing rulemaking; proposing coding for new law in Minnesota Statutes, chapter 216C.

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

Mr. Finn, Ms. Berglin and Mr. Metzen introduced—

S.F. No. 778: A bill for an act relating to occupations and professions; health-related boards; changing the names of certain boards; changing disciplinary procedures; imposing penalties; amending Minnesota Statutes 1992, sections 144A.19, subdivision 1; 147.21; 148.02; 148B.30, subdivision 4; 214.01, subdivision 2, and by adding subdivisions; 214.03; 214.04, subdivisions 1, 2, and 3; 214.06, by adding a subdivision; 214.07, subdivisions 1, 2, and by adding a subdivision; 214.09, subdivisions 1, 3, and 4; 214.10, subdivision 9; and 214.11; proposing coding for new law in Minnesota Statutes, chapter 214; repealing Minnesota Statutes 1992, sections 146.01; 146.13; 146.14; 146.15; 146.18; 146.19; 146.20; 148B.72; and 214.10, subdivision 8.

Referred to the Committee on Health Care.

Mses. Krentz, Reichgott, Mr. Langseth and Ms. Pappas introduced—

S.F. No. 779: A bill for an act relating to education; providing for adult basic education service; appropriating money; amending Minnesota Statutes 1992, sections 121.831, subdivision 4; 124.26, subdivision 1c; 124.2601, subdivisions 1, 3, 4, and by adding a subdivision; 124.261, subdivision 1; and 124.2713, by adding a subdivision.



Referred to the Committee on Education.

Ms. Ranum introduced—

S.F. No. 780: A bill for an act relating to metropolitan airports commission; providing for additional commissioners; amending Minnesota Statutes 1992, section 473.604, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Ms. Berglin introduced—

S.F. No. 781: A bill for an act relating to human services; mental health; extending an exemption for case manager qualifications; changing a definition of mental illness; changing requirements for specialized residential treatment services; allowing additional flexibility in use of community residential treatment funding; delaying required rules revision; amending Minnesota Statutes 1992, sections 245.462, subdivisions 4 and 20; 245.484; 245.4871, subdivision 4; 245.4882, subdivision 5; 245.73, subdivisions 2, 3, and by adding a subdivision; and Laws 1991, chapter 292, article 6, section 54; repealing Minnesota Statutes 1992, sections 245.711; and 245.712.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 782: A bill for an act relating to health; expanding medical assistance coverage to include nutritional supplementation products; amending Minnesota Statutes 1992, section 256B.0625, subdivision 13.

Referred to the Committee on Health Care.

Mr. Spear, Ms. Reichgott, Messrs. Betzold and Cohen introduced—

S.F. No. 783: A bill for an act relating to the family; providing for suspension of a license for unpaid maintenance; clarifying certain language; expanding the eligibility to adopt certain children; changing certain adoption provisions; changing notices required in certain court orders; requiring certain terms in child support orders; changing provisions relating to modification of maintenance or support; providing for jurisdiction of certain domestic abuse actions; providing for pleadings to be forwarded; authorizing additional relief; changing a deadline; amending Minnesota Statutes 1992, sections 214.101, subdivisions 1 and 4; 259.21, subdivision 7; 259.22, subdivision 2; 259.24, subdivision 5; 259.29, subdivisions 1 and 1a; 518.17, subdivision 3; 518.171, subdivision 1; 518.175, subdivision 6; 518.177; 518.55; 518.551, subdivision 12; 518.583; 518.611, subdivision 2; 518.64, subdivision 2; 518.641, subdivision 1; and 518B.01, subdivisions 3, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 518.

Referred to the Committee on Judiciary.

Ms. Krentz and Mr. Cohen introduced—

S.F. No. 784: A bill for an act relating to crime; authorizing collection of fines from inmates' wages; providing that a parent of a victim of harassment who is a minor may seek a restraining order in district court; amending

Minnesota Statutes 1992, sections 241.26, subdivision 5; and 609.748, subdivision 2.

Referred to the Committee on Crime Prevention.

Messrs. Chandler, Metzen, Ms. Anderson and Mr. Novak introduced—

S.F. No. 785: A bill for an act relating to labor; establishing rights and duties in relation to union organization; providing that certain acts are an unfair labor practice; proposing penalties; amending Minnesota Statutes 1992, sections 179.12; 179A.07, by adding a subdivision; and 179A.13, subdivision 2.

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

Messrs. Finn, Samuelson, Mondale, Lessard and Vickerman introduced—

S.F. No. 786: A bill for an act relating to taxation; property; creating a commercial seasonal recreational property classification; amending Minnesota Statutes 1992, section 273.13, subdivision 24.

Referred to the Committee on Taxes and Tax Laws.

Mr. Kelly and Ms. Runbeck introduced—

S.F. No. 787: A bill for an act relating to libraries; requiring the metropolitan council to conduct a study of metropolitan area libraries and library systems and report to the legislature.

Referred to the Committee on Metropolitan and Local Government.

Mr. Finn, Meses. Johnson, J.B. and Runbeck introduced—

S.F. No. 788: A bill for an act relating to energy; abolishing certain duties of commissioner of public service relating to energy; amending Minnesota Statutes 1992, sections 216B.241, subdivision 2a; 216C.02, subdivision 1; and 216C.11.

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

Mr. Kelly, Meses. Pappas and Anderson introduced—

S.F. No. 789: A bill for an act relating to the city of St. Paul; validating an approval of special laws.

Referred to the Committee on Metropolitan and Local Government.

Messrs. McGowan and Luther introduced—

S.F. No. 790: A bill for an act relating to retirement; Maple Grove volunteer firefighters lump sum service pension maximums.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Stevens and Benson, D.D. introduced—

S.F. No. 791: A bill for an act relating to human services; making changes to medical assistance payments for home care services; requiring a preadmis-

sion screening for Medicaid certified nursing homes or boarding homes; allowing residential care services under alternate care funding; defining assisted living services; implementing a one-time adjustment for alternative care services; amending Minnesota Statutes 1992, sections 256B.0625, subdivision 19a; 256B.0627, subdivisions 4 and 5; 256B.0628, subdivision 2; 256B.0911, subdivisions 2, 3, 4, 6, and 7; 256B.0913, subdivisions 4, 5, 9, 12, and 14; 256B.0915, subdivisions 1 and 3; 256B.0917, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 11, and 12; 256B.093, subdivisions 1 and 3; and 256B.49, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Terwilliger, Belanger and Oliver introduced—

S.F. No. 792: A bill for an act relating to retirement; Eden Prairie volunteer firefighters relief association; defining “disability” and “deferred retiree”; modifying the vesting requirement for service pensions; authorizing an increase in the service pension amount.

Referred to the Committee on Governmental Operations and Reform.

Messrs. McGowan and Riveness introduced—

S.F. No. 793: A bill for an act relating to retirement; public employees police and fire fund; modifying the disability benefit limitation for reemployed disabilitants; amending Minnesota Statutes 1992, section 353.656, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Mr. Chmielewski, Ms. Hanson, Messrs. Langseth and Belanger introduced—

S.F. No. 794: A bill for an act relating to transportation; increasing motor vehicle and motor fuel taxes; creating funds for transportation purposes; increasing municipal state-aid system mileage; revising the basis for determining population; changing composition of municipal screening board; amending Minnesota Statutes 1992, sections 160.02, subdivision 7, and by adding a subdivision; 162.09, subdivisions 1 and 4; 162.13, subdivision 3; 174.32, subdivision 2; 296.02, subdivision 1b, and by adding a subdivision; and 297B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 161; and 174; repealing Minnesota Statutes 1992, section 161.041.

Referred to the Committee on Transportation and Public Transit.

Ms. Hanson, Mr. Langseth, Mses. Pappas, Johnston and Mr. Belanger introduced—

S.F. No. 795: A bill for an act relating to transportation; establishing a county state-aid highway dispute resolution board; changing the county state-aid fund apportionment formula and the composition of the screening board; amending Minnesota Statutes 1992, sections 162.02, subdivisions 3a, 7, 8, and by adding a subdivision; 162.06, subdivision 4; 162.08, subdivision 9; and 162.155; proposing coding for new law in Minnesota Statutes, chapter 162; repealing Minnesota Statutes 1992, section 162.07.

Referred to the Committee on Transportation and Public Transit.

**MEMBERS EXCUSED**

Ms. Johnson, J.B. and Mr. Neville were excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Thursday, March 11, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-FIRST DAY

St. Paul, Minnesota, Thursday, March 11, 1993

The Senate met at 9:30 a.m. and was called to order by the President.

### CALL OF THE SENATE

Ms. Johnston 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. John R. Bjorge.

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

Adkins	Dille	Krentz	Morse	Riveness
Anderson	Finn	Kroening	Murphy	Robertson
Beckman	Flynn	Laidig	Neuville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Bertram	Janezich	Lessard	Pappas	Stevens
Betzold	Johnson, D.J.	Marty	Pariseau	Stumpf
Chandler	Johnson, J.B.	McGowan	Piper	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener
Day	Knutson	Mondale	Reichgott	

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 8, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	1	4	11:48 a.m. March 5	March 5

Sincerely,  
Joan Anderson Growe  
Secretary of State

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 29, 31, 159, 168 and 185.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 29: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 32, now on the Calendar.

H.F. No. 31: A bill for an act relating to state government; providing for gender balance in multimember agencies; amending Minnesota Statutes 1992, section 15.0597, by adding subdivisions.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 159: A bill for an act relating to education; extending the time for school districts that have received capital loans to enter into construction contracts; amending Minnesota Statutes 1992, section 124.431, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 158, now on General Orders.

H.F. No. 168: A bill for an act relating to state government; authorizing state agencies to enter into contracts with regional organizations; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 185: A bill for an act relating to utilities; prohibiting state permits for construction of certain hydropower facilities on the bluffs of the Mississippi river; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

### REPORTS OF COMMITTEES

Ms. Flynn moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 497 and 426. The motion prevailed.

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

S.F. No. 568: A bill for an act relating to insurance; nonprofit health service plan corporations; regulating investments; amending Minnesota Statutes 1992, section 62C.10.

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

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

S.F. No. 439: A bill for an act relating to economic and social 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 Jobs, Energy and Community Development. Report adopted.

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

S.F. No. 282: A bill for an act relating to medical assistance; modifying hospital reimbursement rates; amending Minnesota Statutes 1992, section 256.969, subdivisions 9, 20, and by adding subdivisions.

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

Page 2, line 23, before "For" insert "(a)" and delete "January" and insert "July"

Page 2, line 34, after "Service." insert:

"(b)"

Page 2, line 36, after "subdivision" insert "shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of one standard deviation above the arithmetic mean. The adjustment"

Page 3, line 6, after "1.1." insert:

"(c)"

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. 169: A bill for an act relating to appropriations; appropriating money to the higher education coordinating board.

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

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

S.F. No. 265: A bill for an act relating to business corporations; making various technical changes; amending Minnesota Statutes 1992, sections 302A.011, subdivisions 26, 38, 53, and by adding a subdivision; 302A.105; 302A.111, subdivisions 3 and 4; 302A.115, subdivision 1; 302A.117, subdivision 1; 302A.123, subdivision 3; 302A.133; 302A.135, subdivisions 1 and 3; 302A.137; 302A.153; 302A.171, subdivision 2; 302A.231, subdivision 3; 302A.233; 302A.237; 302A.241, subdivision 1; 302A.255, subdivision 2; 302A.401, subdivisions 1 and 3; 302A.402, subdivisions 1, 2, and by adding a subdivision; 302A.403, subdivisions 2 and 4; 302A.413, subdivisions 4 and 9; 302A.423, subdivision 2; 302A.435, subdivisions 1 and 3; 302A.437, subdivision 2; 302A.447, subdivisions 2 and 3; 302A.449, subdivision 1; 302A.461, subdivision 4; 302A.463; 302A.471, subdivision 3; 302A.473, subdivisions 4 and 7; 302A.501, subdivision 1; 302A.521, subdivision 6; 302A.551, subdivision 1; 302A.553, subdivision 1; 302A.559, subdivision 1; 302A.613, subdivisions 2 and 3; 302A.621; subdivision 6; 302A.641, subdivision 1; 302A.671, subdivision 3; 302A.673, subdivisions 1 and 3; 302A.711, subdivisions 1 and 2; and 302A.901, by adding a subdivision.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 262: A bill for an act relating to the city of Saint Paul; authorizing the city by ordinance to prepare, adopt, and amend design districts and design framework, to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

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

Page 2, after line 7, insert:

*"(d) No design district shall include jurisdiction over the capitol area, as defined in Minnesota Statutes, section 15.50, subdivision 2."*

Page 2, line 10, after "committee" insert "or committees"

Page 2, line 14, after "be" insert "comprised of a majority from the neighborhood affected, both residents and business owners, and shall also have persons"

Page 2, line 19, delete "shall" and insert "may"

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



Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 414: A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1992, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.373, subdivision 4a; 473.399, subdivision 1; 473.3993; 473.3994, subdivisions 2, 3, 4, 5, 7, and by adding subdivisions; 473.3996; 473.3997; 473.3998; 473.4051; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1992, sections 473.399, subdivisions 2 and 3; 473.3991; 473.3994, subdivision 6; Laws 1991, chapter 291, article 4, section 20.

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

Page 12, line 20, delete "or" and insert "and"

Page 12, line 23, strike "shall" and insert "may"

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

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

S.F. No. 425: A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; appropriating money; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5.

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

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

S.F. No. 346: A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, by adding a subdivision.

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

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

S.F. No. 219: A bill for an act relating to taxation; property; modifying the method of determining certain adjusted net tax capacity; modifying the method of determining agricultural market value for property tax purposes; amending Minnesota Statutes 1992, sections 124.2131, subdivision 1; and 273.11, subdivision 10.

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. 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. 327: A bill for an act relating to human services; authorizing intensive family preservation services and child welfare targeted case management services; amending Minnesota Statutes 1992, sections 256B.0625, by adding a subdivision; 256F.06, subdivision 2; 257.3573, by adding a subdivision; and 626.559, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 256B; and 256F.

Reports the same back with the recommendation that the report from the Committee on Family Services, shown in the Journal for February 25, 1993, be not adopted and that the bill be returned to the Committee on Family 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. 57: A bill for an act relating to human rights; lengthening the statute of limitations for human rights act violations; amending Minnesota Statutes 1992, sections 363.06, subdivision 3; and 363.116.

Reports the same back with the recommendation that the report from the Committee on Judiciary, shown in the Journal for February 18, 1993, 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. 241: A bill for an act relating to human services; modifying reimbursement procedures for group residential housing; amending Minnesota Statutes 1992, section 256I.05, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Health Care, shown in the Journal for March 4, 1993, be amended to read:

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

Mr. Moe, R.D. from the Committee on Rules and Administration, to which were referred for proper reference under Rule 35:

S.F. Nos. 197, 534 and 370 reports the same back with the recommendation that the bills be re-referred as follows:

S.F. No. 197 to the Committee on Metropolitan and Local Government.

S.F. No. 534 to the Committee on Agriculture and Rural Development.

S.F. No. 370 to the Committee on Crime Prevention.

Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 497: A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

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

Page 4, line 17, after "license" insert "with a school bus endorsement"

And when so amended the bill do pass. Ms. Reichgott 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 Transportation and Public Transit, to which was referred

S.F. No. 426: A bill for an act relating to drivers' licenses; requiring drivers' licenses and identification cards to be less susceptible to alteration; amending Minnesota Statutes 1992, section 171.07, by adding a subdivision.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, section 171.06, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license and Minnesota identification card are as follows:

Classified Driver License	<del>C-\$15</del>	<del>CC-\$19</del>	<del>B-\$26</del>	A-\$34
	C-\$16	CC-\$20	B-\$27	A-\$35
Classified Under 21 D.L.	<del>C-\$15</del>	<del>CC-\$19</del>	<del>B-\$26</del>	A-\$14
	C-\$16	CC-\$20	B-\$27	A-\$15
Instruction Permit				\$ 6
Duplicate Driver or Under 21 License				\$ 4.50 \$ 5.50
Minnesota identification card, except as otherwise provided in section 171.07, subdivisions 3 and 3a				\$ 9 \$ 10"

Page 1, after line 22, insert:

"Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1994. Section 2 is effective July 1, 1993."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "increasing fees;"

Page 1, line 5, delete "section" and insert "sections 171.06, subdivision 2; and"

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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 50: A bill for an act relating to traffic regulations; authorizing operation of recreational vehicle combinations with certain restrictions; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; and 169.81, by adding a subdivision.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 331: A bill for an act relating to the military; clarifying the use by the governor of the military forces; amending Minnesota Statutes 1992, section 190.02.

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 340: A bill for an act relating to the military; entering into the National Guard mutual assistance counterdrug activities compact; proposing coding for new law in Minnesota Statutes, chapter 192.

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

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

S.F. No. 33: A bill for an act relating to crime prevention; providing that the home address of a driver's license or motor vehicle registration applicant is private data; clarifying and expanding the scope of harassment and stalking crimes; increasing to a gross misdemeanor the penalty for harassment and stalking; increasing to a felony the penalty for subsequent offenses; increasing to a gross misdemeanor the penalty for subsequent violations of orders for protection issued because of harassment; requiring training for judges and peace officers concerning harassment and stalking; amending Minnesota Statutes 1992, sections 13.69, by adding a subdivision; 480.30; 609.605; 609.748, subdivisions 6 and 8; 611A.0311; 626.8451, subdivision 1a; 629.342; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, sections 168.346; 171.12, subdivision 7; 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, 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 1992, section 480.30, is amended to read:

**480.30 [JUDICIAL TRAINING ON DOMESTIC ABUSE, HARASSMENT, AND STALKING.]**

The supreme court's judicial education program on domestic abuse must include ongoing training for district court judges on domestic abuse laws and related civil and criminal court issues, *including the laws prohibiting harassment and stalking*. The program must include education on the causes of family violence and culturally responsive approaches to serving victims. The program must emphasize the need for the coordination of court and legal victim advocacy services and include education on domestic abuse programs and policies within law enforcement agencies and prosecuting authorities as well as the court system.

Sec. 2. Minnesota Statutes 1992, section 609.605, is amended to read:

**609.605 [TRESPASS.]**

Subdivision 1. [MISDEMEANOR.] (a) The following terms have the meanings given them for purposes of this section.

(i) “Premises” means real property and any appurtenant building or structure.

(ii) “Dwelling” means the building or part of a building used by an individual as a place of residence on either a full-time or a part-time basis. A dwelling may be part of a multidwelling or multipurpose building, or a manufactured home as defined in section 168.011, subdivision 8.

(b) A person is guilty of a misdemeanor if the person intentionally:

(1) permits domestic animals or fowls under the actor's control to go on the land of another within a city;

(2) interferes unlawfully with a monument, sign, or pointer erected or marked to designate a point of a boundary, line or a political subdivision, or of a tract of land;

(3) trespasses on the premises of another and, without claim of right, refuses to depart from the premises on demand of the lawful possessor;

(4) occupies or enters the dwelling of another, without claim of right or consent of the owner or the consent of one who has the right to give consent, except in an emergency situation;

(5) enters the premises of another with intent to take or injure any fruit, fruit trees, or vegetables growing on the premises, without the permission of the owner or occupant; *or*

(6) enters or is found on the premises of a public or private cemetery without authorization during hours the cemetery is posted as closed to the public; *or*

(7) returns to the property of another with the intent to harass, abuse, or threaten another, after being told to leave the property and not to return; if the

actor is without claim of right to the property or consent of one with authority to consent.

Sec. 3. Minnesota Statutes 1992, section 609.713, is amended by adding a subdivision to read:

*Subd. 4a. [THREATENING CONDUCT.] Whoever causes terror in another person by engaging in threatening conduct is guilty of a felony and may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$6,000, or both. "Threatening conduct" means an act or series of acts that explicitly or implicitly threaten another person.*

Sec. 4. Minnesota Statutes 1992, section 609.748, is amended by adding a subdivision to read:

*Subd. 3a. [FILING FEE WAIVED.] The filing fees for a restraining order under this section are waived for the petitioner. The court administrator and the sheriff of any county in this state shall perform their duties relating to service of process without charge to the petitioner. The court shall direct payment of the reasonable costs of service of process if served by a private process server when the sheriff is unavailable or if service is made by publication, without requiring the petitioner to make application under section 563.01. The court may direct a respondent to pay to the court administrator the petitioner's filing fees and reasonable costs of service of process if the court determines that the respondent has the ability to pay the petitioner's fees and costs.*

Sec. 5. Minnesota Statutes 1992, section 609.748, subdivision 6, is amended to read:

*Subd. 6. [VIOLATION OF RESTRAINING ORDER.] (a) When a temporary restraining order or a restraining order is granted under this section and the respondent knows of the order, violation of the order is a misdemeanor. A person is guilty of a gross misdemeanor who:*

*(1) violates the order within two years after a previous conviction under this subdivision, sections 609.221 to 609.224, section 518B.01, subdivision 14, section 609.713, subdivision 1, 3, or 4, section 609.749, or section 609.79; or*

*(2) violates the order against the same victim within five years after a previous conviction under this subdivision or a provision listed in clause (1).*

*(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 issued under subdivision 4 or 5 if the existence of the order can be verified by the officer.*

Sec. 6. Minnesota Statutes 1992, section 609.748, subdivision 8, is amended to read:

*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 that a subsequent*

violation is a gross misdemeanor punishable by imprisonment for up to one year or a fine of up to \$3,000, 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.

Sec. 7. [609.749] [HARASSMENT; STALKING; PENALTIES.]

*Subdivision 1. [DEFINITION.] As used in this section, "harass" means to engage in one or more intentional acts that:*

(1) interfere with another person or intrude on the person's privacy or liberty;

(2) do so in a manner that would cause a reasonable person under the circumstances to feel oppressed, persecuted, or intimidated; and

(3) cause this reaction on the part of the victim.

*Subd. 2. [HARASSMENT AND STALKING CRIMES.] A person who harasses another by committing any of the following acts is guilty of a gross misdemeanor:*

(1) implicitly or explicitly expresses a purpose or intent to injure the person, property, or rights of another by the commission of an unlawful act;

(2) stalks, follows, or pursues another;

(3) engages in a pattern of attending public events after being notified that the actor's presence at the event is harassing to another;

(4) returns to the property of another if the actor is without claim of right to the property or consent of one with authority to consent;

(5) repeatedly makes telephone calls, or induces a victim to make telephone calls to the actor, whether or not conversation ensues;

(6) makes or causes the telephone of another repeatedly or continuously to ring;

(7) repeatedly uses the mail or delivers or causes the delivery of letters, telegrams, packages, or other objects; or

(8) any other repeated conduct that has no legitimate purpose.

*The offenses described in clauses (5) and (6) may be prosecuted either at the place where the call is made or where it is received. The offense described in clause (7) may be prosecuted either where the mail is deposited or where it is received.*

*Subd. 3. [AGGRAVATED VIOLATIONS.] A person who commits any of the following acts is guilty of a felony:*

(1) commits any offense described in subdivision 2 because of the victim's or another's actual or perceived race, color, religion, sex, sexual orientation, disability as defined in section 363.01, age, or national origin;

(2) commits any offense described in subdivision 2 by falsely impersonating another;

(3) commits any offense described in subdivision 2 and possesses a dangerous weapon at the time of the offense;

(4) commits any offense described in subdivision 2 with intent to influence or otherwise tamper with a judicial proceeding or with intent to retaliate against a judicial officer as defined in section 609.415 because of the officer's performance of official duties; or

(5) commits any offense described in subdivision 2 against a victim under the age of 18, if the actor is more than 36 months older than the victim.

*Subd. 4. [SECOND OR SUBSEQUENT VIOLATIONS; FELONY.]* A person is guilty of a felony who violates any provision of subdivision 2 within ten years after a previous conviction under this section, section 518B.01, subdivision 14, section 609.748, subdivision 6, sections 609.221 to 609.224, or section 609.713, subdivision 1, 3, or 4.

*Subd. 5. [TERRORISTIC HARASSMENT.]* (a) A person who engages in a pattern of harassing conduct with respect to a single victim in a manner that would cause a reasonable person under the circumstances to feel terrorized or to fear imminent bodily harm and that does cause this reaction on the part of the victim, is guilty of a felony 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.

(b) For purposes of this subdivision, a "pattern of harassing conduct" means two or more acts that violate the provisions of the following:

- (1) this section;
- (2) section 609.713;
- (3) section 609.224;
- (4) section 518B.01, subdivision 14; or
- (5) section 609.748, subdivision 6.

*Subd. 6. [MENTAL HEALTH ASSESSMENT AND TREATMENT.]* (a) When a person is convicted of a felony offense under this section, or another felony offense arising out of a charge based on this section, the court shall order an independent professional assessment of the offender's need for mental health treatment. The court may waive the assessment if an adequate assessment was conducted prior to the conviction.

(b) Notwithstanding section 13.42, 13.85, 144.335, or 260.161, the assessor has access to the following private or confidential data on the person if access is relevant and necessary for the assessment:

- (1) medical data under section 13.42;
- (2) corrections and detention data under section 13.85;
- (3) health records under section 144.335; and
- (4) juvenile court records under section 260.161.

Data disclosed under this section may be used only for purposes of the assessment and may not be further disclosed to any other person, except as authorized by law.



(c) If the assessment indicates that the offender is in need of and amenable to mental health treatment, the court shall include in the sentence a requirement that the offender undergo treatment.

(d) The court shall order the offender to pay the costs of assessment under this subdivision unless the offender is indigent under section 563.01.

Subd. 7. [EXCEPTION.] Conduct is not a crime under this section if it is performed under terms of a valid license, to ensure compliance with a court order, or to carry out a specific lawful commercial purpose or employment duty, is authorized or required by a valid contract, or is authorized, required, or protected by state or federal law or the state or federal Constitutions. For purposes of subdivision 2, clauses (2) and (3), picketing and handbilling activities do not constitute a crime if they are authorized by the provisions of section 7 of the National Labor Relations Act, title 29, United States Code, section 157, as amended.

Sec. 8. Minnesota Statutes 1992, section 609.79, subdivision 1, is amended to read:

Subdivision 1. Whoever, does either of the following is guilty of a misdemeanor:

(1) By means of a telephone,

(a) makes any comment, request, suggestion or proposal which is obscene, lewd, or lascivious;

(b) Repeatedly makes telephone calls, whether or not conversation ensues, with intent to abuse, threaten, or harass;

(c) Makes or causes the telephone of another repeatedly or continuously to ring, with intent to harass any person at the called number; or

(2) Having control of a telephone, knowingly permits it to be used for any purpose prohibited by this section, shall be guilty of a misdemeanor.

Sec. 9. Minnesota Statutes 1992, section 609.795, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANORS.] Whoever does any either of the following is guilty of a misdemeanor:

(1) knowing that the actor does not have the consent of either the sender or the addressee, intentionally opens any sealed letter, telegram, or package addressed to another; or

(2) knowing that a sealed letter, telegram, or package has been opened without the consent of either the sender or addressee, intentionally publishes any of the contents thereof; or

(3) with the intent to harass, abuse, or threaten, repeatedly uses the mails or delivers letters, telegrams, or packages.

Sec. 10. Minnesota Statutes 1992, section 611A.031, is amended to read:

611A.031 [VICTIM INPUT REGARDING PRETRIAL DIVERSION.]

A prosecutor shall make every reasonable effort to notify and seek input from the victim prior to referring a person into a pretrial diversion program in lieu of prosecution for a violation of sections 609.185, 609.19, 609.195,

609.20, 609.205, 609.221, 609.222, 609.223, 609.224, 609.24, 609.245, 609.25, 609.255, 609.342, 609.343, 609.344, 609.345, 609.365, 609.498, 609.561, 609.582, subdivision 1, and 609.687, 609.713, and 609.749.

Sec. 11. [611A.0312] [HARASSMENT PROSECUTION STRATEGY.]

*By December 31, 1993, county and city attorneys, in consultation with one another, shall develop and circulate to all county and city attorneys, a written strategy to expedite and improve the efficiency and just disposition of harassment cases brought to prosecuting authorities. Crime victim advocates, law enforcement officials, advocates for the mentally ill, and other interested members of the public must have an opportunity to comment on the strategy. If the county and city attorneys have not circulated a final strategy by December 31, 1993, the attorney general shall develop and circulate a strategy under this section by June 15, 1994.*

Sec. 12. Minnesota Statutes 1992, section 611A.0315, is amended to read:

611A.0315 [VICTIM NOTIFICATION; DOMESTIC ASSAULT; HARASSMENT.]

Subdivision 1. [NOTICE OF DECISION NOT TO PROSECUTE.] (a) A prosecutor shall make every reasonable effort to notify a domestic assault victim of domestic assault or harassment 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 or harassment, 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.

(c) *Whenever a prosecutor notifies a victim of domestic assault or harassment under this section, the prosecutor shall also inform the victim of the method and benefits of seeking an order for protection under section 518B.01 or a restraining order under section 609.748 and that the victim may seek an order without paying a fee.*

Subd. 2. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.

(a) "Assault" has the meaning given it in section 609.02, subdivision 10.

(b) "Domestic assault" means an assault committed by the actor against a family or household member.

(c) "Family or household member" has the meaning given it in section 518B.01, subdivision 2.

(d) "Harassment" means a violation of section 609.749.

Sec. 13. Minnesota Statutes 1992, section 626.8451, subdivision 1a, is amended to read:

Subd. 1a. [TRAINING COURSE; CRIMES OF VIOLENCE.] In consultation with the crime victim and witness advisory council and the school of

law enforcement, the board shall prepare a training course to assist peace officers in responding to crimes of violence and to enhance peace officer sensitivity in interacting with and assisting crime victims. *For purposes of this course, harassment and stalking crimes are "crimes of violence."* The course must include information about:

- (1) the needs of victims of these crimes and the most effective and sensitive way to meet those needs or arrange for them to be met;
- (2) the extent and causes of crimes of violence, including physical and sexual abuse, physical violence, *harassment and stalking*, and neglect;
- (3) the identification of crimes of violence and patterns of violent behavior; and
- (4) culturally responsive approaches to dealing with victims and perpetrators of violence.

Sec. 14. Minnesota Statutes 1992, section 629.34, subdivision 1, is amended to read:

Subdivision 1. [PEACE OFFICERS AND CONSTABLES.] (a) A peace officer, as defined in section 626.84, subdivision 1, clause (c), or a constable, as defined in section 367.40, subdivision 3, who is on or off duty within the jurisdiction of the appointing authority, or on duty outside the jurisdiction of the appointing authority pursuant to section 629.40, may arrest a person without a warrant as provided under paragraph (c).

(b) A part-time peace officer, as defined in section 626.84, subdivision 1, clause (f), who is on duty within the jurisdiction of the appointing authority, or on duty outside the jurisdiction of the appointing authority pursuant to section 629.40 may arrest a person without a warrant as provided under paragraph (c).

(c) A peace officer, constable, or part-time peace officer who is authorized under paragraph (a) or (b) to make an arrest without a warrant may do so under the following circumstances:

- (1) when a public offense has been committed or attempted in the officer's or constable's presence;
- (2) when the person arrested has committed a felony, although not in the officer's or constable's presence;
- (3) when a felony has in fact been committed, and the officer or constable has reasonable cause for believing the person arrested to have committed it;
- (4) upon a charge based upon reasonable cause of the commission of a felony by the person arrested; or
- (5) under the circumstances described in clause (2), (3), or (4), when the offense is a gross misdemeanor violation of section 609.52, 609.595, 609.631, 609.749, or 609.821.

(d) To make an arrest authorized under this subdivision, the officer or constable may break open an outer or inner door or window of a dwelling house if, after notice of office and purpose, the officer or constable is refused admittance.

Sec. 15. Minnesota Statutes 1992, section 629.342, is amended to read:

629.342 [LAW ENFORCEMENT POLICIES FOR DOMESTIC ABUSE AND HARASSMENT ARRESTS.]

Subdivision 1. [DEFINITION.] (a) For purposes of this section, "domestic abuse" has the meaning given in section 518B.01, subdivision 2.

(b) For purposes of this section, "harassment" means a violation of section 609.749 or a violation of section 609.748, subdivision 6.

Subd. 2. [DOMESTIC ABUSE POLICIES REQUIRED.] (a) Each law enforcement agency shall develop, adopt, and implement a written policy regarding arrest procedures for domestic abuse incidents. In the development of a policy, each law enforcement agency shall consult with domestic abuse advocates, community organizations, and other law enforcement agencies with expertise in the recognition and handling of domestic abuse incidents. The policy shall discourage dual arrests, include consideration of whether one of the parties acted in self defense, and provide guidance to officers concerning instances in which officers should remain at the scene of a domestic abuse incident until the likelihood of further imminent violence has been eliminated.

(b) The bureau of criminal apprehension, the board of peace officer standards and training, and the battered women's advisory council appointed by the commissioner of corrections under section 611A.34, in consultation with the Minnesota chiefs of police association, the Minnesota sheriffs association, and the Minnesota police and peace officers association, shall develop a written model policy regarding arrest procedures for domestic abuse incidents for use by local law enforcement agencies. Each law enforcement agency may adopt the model policy in lieu of developing its own policy under the provisions of paragraph (a).

(c) Local law enforcement agencies that have already developed a written policy regarding arrest procedures for domestic abuse incidents before July 1, 1992, are not required to develop a new policy but must review their policies and consider the written model policy developed under paragraph (b).

Subd. 2a. [MODEL HARASSMENT POLICY.] (a) The chiefs of police, county sheriffs, and peace officers shall develop a written model policy regarding arrest procedures for harassment incidents. The law enforcement officials shall make the policy available to all law enforcement agencies by December 31, 1993. The policy shall describe the types of behavior that are likely to escalate into increased violence and instances where arrest is appropriate although no physical threat or injury has occurred. The policy shall include a plan to provide written notice of the rights of harassment victims at the time of first contact with law enforcement officials, which may be combined with the notice required by section 629.341, subdivision 3.

(b) In developing the policy, the law enforcement officials shall meet with officials of the bureau of criminal apprehension, the board of peace officer standards and training, and the crime victim and witness advisory board. In addition, the officials shall consult with advocates for sexual assault victims, battered women, and the mentally ill and other interested groups and individuals.

(c) If the law enforcement officials have not made available a final plan as required by this subdivision by December 31, 1993, the commissioner of

*public safety shall develop and circulate a plan as required by this subdivision by June 15, 1994.*

Subd. 3. [ASSISTANCE TO VICTIM WHERE NO ARREST.] If a law enforcement officer does not make an arrest when the officer has probable cause to believe that a person is committing or has committed domestic abuse or harassment, or has violated an order for protection, the officer shall provide immediate assistance to the victim. Assistance includes:

- (1) assisting the victim in obtaining necessary medical treatment; and
- (2) providing the victim with the notice of rights of victims of domestic violence under section 629.341, subdivision 3, or the notice of rights of harassment victims developed under subdivision 2a.

Subd. 4. [IMMUNITY.] A peace officer acting in good faith and exercising due care in providing assistance to a victim pursuant to subdivision 3 is immune from civil liability that might result from the officer's action.

Sec. 16. [629.721] [NOTICE TO VICTIM OF HARASSMENT REGARDING RELEASE OF ARRESTED PERSON.]

(a) *Immediately after the issuance of a citation in lieu of continued detention of a person alleged to have harassed another, or the entry of an order for release of that person, but before the arrested person is released, the agency having custody of the arrested person or its designee must make a reasonable and good faith effort to inform orally the alleged victim of:*

- (1) *the conditions of release, if any;*
- (2) *the time of release; and*
- (3) *the time, date, and place of the next scheduled court appearance of the arrested person and the victim's right to be present at the court appearance.*

(b) *As soon as practicable after an order for conditional release is entered, the agency having custody of the arrested person or its designee must personally deliver or mail to the alleged victim a copy of the written order and written notice of the information in clauses (2) and (3).*

Sec. 17. [TRAINING FOR PROSECUTORS.]

*By December 31, 1993, the supreme court shall prepare and conduct a training course for county attorneys and city attorneys to familiarize them with this act and provide other information regarding the prosecution of harassment and stalking offenses. The course may be combined with other training conducted by the supreme court or other groups.*

Sec. 18. [REPEALER.]

*Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2, are repealed.*

Sec. 19. [EFFECTIVE DATE.]

*Sections 1 to 18 are effective August 1, 1993, and apply to crimes committed on or after that date."*

Delete the title and insert:

“A bill for an act relating to crime prevention; clarifying and expanding the scope of harassment and stalking crimes; increasing penalties for harassment and stalking; increasing to a gross misdemeanor the penalty for subsequent violations of orders for protection issued because of harassment; requiring training for judges, prosecutors, and peace officers concerning harassment and stalking; providing for notice to harassment victims of release of alleged offender from incarceration; allowing arrest on probable cause of alleged harassment offenders; requiring prosecutors to notify harassment victims of decision not to prosecute; amending Minnesota Statutes 1992, sections 480.30; 609.605; 609.713, by adding a subdivision; 609.748, subdivisions 6, 8, and by adding a subdivision; 609.79, subdivision 1; 609.795, subdivision 1; 611A.031; 611A.0315; 626.8451, subdivision 1a; 629.34, subdivision 1; and 629.342; proposing coding for new law in Minnesota Statutes, chapters 609; 611A; and 629; repealing Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, subdivision 2.”

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. 96: A bill for an act relating to the environment; wastewater treatment; clarifying rulemaking provisions for pollution control agency adoption of wastewater treatment standards; changing the composition of the technical advisory committee; amending Minnesota Statutes 1992, sections 115.44, subdivisions 4, 6, and 7; and 115.54.

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

Page 2, delete section 3 and insert:

“Sec. 3. Minnesota Statutes 1992, section 115.44, subdivision 7, is amended to read:

Subd. 7. ~~Notices of public hearing for the consideration, adoption, modification, alteration or amendment of the classification of waters and standards of purity and quality thereof shall specify the time, date and place of hearing, and the waters concerning which classification is sought to be made or for which standards are sought to be adopted or modified.~~

Copies of said notice shall:

(a) ~~Be published at least twice in a newspaper regularly published or circulated in the county or counties bordering or through which the waters sought to be classified, or for which standards are sought to be adopted, flow, the first date of publication of which shall not be more than 30 days nor less than 20 days before the date fixed for such hearing; and~~

(b) ~~For rules authorized under this section, the notices required to be mailed under sections 14.14, subdivision 1a, and 14.22 must also be mailed at least 30 days before such hearing to the governing body of each municipality bordering or through which said the waters, for which standards are sought to be adopted, flow, and to such other persons as the agency has reason to believe may be affected by the proposed standards.”~~

Page 3, after line 30, insert:

"Sec. 5. Minnesota Statutes 1992, section 116.18, subdivision 3c, is amended to read:

Subd. 3c. [INDIVIDUAL ON-SITE TREATMENT SYSTEMS PROGRAM.] (a) Beginning in fiscal year 1989, up to ten percent of the money to be awarded as grants under subdivision 3a in any single fiscal year, up to a maximum of \$1,000,000, may be set aside for the award of grants by the authority to municipalities to reimburse owners of individual on-site wastewater treatment systems for a part of the costs of upgrading or replacing the systems.

(b) An individual on-site treatment system is a wastewater treatment system, or part thereof, ~~servng less than six~~ that uses soil treatment and disposal technology to treat 5,000 gallons or less of wastewater per day from dwellings or other establishments, ~~which utilizes subsurface soil treatment and disposal.~~

(c) Municipalities may apply yearly for grants of up to 50 percent of the cost of replacing or upgrading individual on-site treatment systems within their jurisdiction. Before agency approval of the grant application, a municipality must certify that:

(1) it has adopted and is enforcing the requirements of Minnesota Rules governing individual sewage treatment systems;

(2) the existing systems for which application is made do not conform to those rules, were constructed prior to January 1, 1977, do not serve seasonal residences, and were not constructed with state or federal funds; and

(3) the costs requested do not include administrative costs, costs for improvements or replacements made before the application is submitted to the authority unless it pertains to the plan finally adopted, and planning and engineering costs other than those for the individual site evaluations and system design.

(d) The federal and state regulations regarding the award of state and federal wastewater treatment grants do not apply to municipalities or systems funded under this subdivision, except as provided in this subdivision.

(e) The authority shall award individual on-site wastewater treatment grants to municipalities selected by the state pollution control commissioner upon certification by the state pollution control commissioner that the municipalities' applications have been reviewed and approved in accordance with this subdivision and agency rules adopted under paragraph (f).

(f) The agency shall adopt permanent rules regarding priorities, distribution of funds, payments, inspections, ~~the maximum number of dwellings or other establishments that may be served by an individual on-site treatment system,~~ and other matters that the agency finds necessary for proper administration of grants awarded under this subdivision.

(g) The commissioner of trade and economic development may adopt rules containing procedures for administration of the authority's duties as set forth in paragraph (e)."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "changing the definition of individual on-site treatment system;"

Page 1, line 7, delete the second "and" and before the period, insert "; and 116.18, subdivision 3c"

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

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

S.F. No. 464: A bill for an act relating to game and fish; color of outer clothing required in firearms deer zones; amending Minnesota Statutes 1992, section 97B.071.

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 1992, section 97B.071, is amended to read:  
97B.071 [RED OR BLAZE ORANGE REQUIREMENTS.]

A person may not hunt or trap during the open season in a zone or area where deer may be taken by firearms, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is:

(1) bright red or blaze orange in areas of the state where the commissioner allows deer to be taken by shotgun only; or

(2) blaze orange in other areas of the state.

Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1994."

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. 5: A bill for an act relating to game and fish; extending the permissible period for the open season on raccoon; amending Minnesota Statutes 1992, section 97B.621, subdivision 1.

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

Page 1, line 10, strike "prescribed" and insert "set" and strike "between October 15"

Page 1, line 11, strike "and" and delete "January" and strike "31"



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. 484: A bill for an act relating to natural resources; establishing a youth preference for selecting persons eligible to take antlerless deer; appropriating money; amending Minnesota Statutes 1992, section 97B.305.

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 1992, section 97B.301, is amended by adding a subdivision to read:

*Subd. 6. [RESIDENTS UNDER AGE 16 MAY TAKE DEER OF EITHER SEX.] (a) A resident under the age of 16 may take a deer of either sex. This subdivision does not authorize the taking of an antlerless deer by another member of a party under subdivision 3.*

*(b) This subdivision is repealed effective December 31, 1995.”*

Delete the title and insert:

“A bill for an act allowing residents under the age of 16 to take deer of either sex until December 31, 1995; amending Minnesota Statutes 1992, section 97B.301, by adding a subdivision.”

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

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

S.F. No. 431: A bill for an act relating to public administration; providing that government records may be stored on optical disk and retained in that format only; amending Minnesota Statutes 1992, section 15.17, subdivision 1; and 138.17, by adding a subdivision.

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

Page 1, lines 24 to 26, reinstate the stricken language

Page 2, line 1, reinstate the stricken language and before the reinstated period, insert “, provided, however, that this section does not prohibit the use of nonerasable optical imaging systems for the preservation of archival records without the preservation of paper or microfilm copies”

Page 2, lines 3, 9, and 14, strike “disk”

Page 2, line 20, delete “DISK” and insert “IMAGE” and delete “Notwithstanding any law”

Page 2, line 21, delete “to the contrary,”

Page 2, line 22, delete “optical disk” and insert “a nonerasable optical imaging system”

Page 2, line 23, before the period, insert “, provided, however, that a document preserved on a nonerasable optical imaging system must be kept available for retrieval so long as any applicable law requires. After an archival record is transferred to a nonerasable optical imaging system and before disposal of the original paper or microfilm record, the paper or microfilm record must be offered to the historical society. The historical society may accept or decline to accept the paper or microfilm record”

Amend the title as follows:

Page 1, line 3, delete “disk” and insert “imaging systems”

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

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

S.F. No. 337: A bill for an act relating to housing; establishing a family homeless prevention and assistance program; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; 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 3, line 19, after the period, insert “The report must include the actual program results compared to program objectives.”

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

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

S.F. No. 736: A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2, and by adding a subdivision; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

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 1992, section 245.4873, subdivision 2, is amended to read:

Subd. 2. [STATE LEVEL; COORDINATION.] *The state coordinating council consists of the commissioners or designees of commissioners of the departments of human services, health, education, state planning, and corrections, and a representative of the Minnesota district judges association juvenile committee, in conjunction with the commissioner of commerce or a designee of the commissioner, and the director or a designee of the director of the office of strategic and long range planning. The members of the council*

shall annually alternate chairing the council beginning with the commissioner of human services and proceeding in the order as listed in this subdivision. The council shall meet at least quarterly to:

- (1) educate each agency about the policies, procedures, funding, and services for children with emotional disturbances of all agencies represented;
- (2) develop mechanisms for interagency coordination on behalf of children with emotional disturbances;
- (3) identify barriers including policies and procedures within all agencies represented that interfere with delivery of mental health services for children;
- (4) recommend policy and procedural changes needed to improve development and delivery of mental health services for children in the agency or agencies they represent;
- (5) identify mechanisms for better use of federal and state funding in the delivery of mental health services for children; and
- (6) until February 15, 1992, prepare an annual report on the policy and procedural changes needed to implement a coordinated, effective, and cost-efficient children's mental health delivery system.

This report shall be submitted to the legislature and the state mental health advisory council annually as part of the report required under section 245.487, subdivision 4. The report shall include information from each department represented on:

- (1) the number of children in each department's system who require mental health services;
- (2) the number of children in each system who receive mental health services;
- (3) how mental health services for children are funded within each system;
- (4) how mental health services for children could be coordinated to provide more effectively appropriate mental health services for children; and
- (5) recommendations for the provision of early screening and identification of mental illness in each system perform the duties required under sections 245.494 to 245.496.

Sec. 2. [245.491] [CITATION; DECLARATION OF PURPOSE.]

*Subdivision 1.* [CITATION.] Sections 245.491 to 245.496 may be cited as "the children's mental health integrated fund."

*Subd. 2.* [PURPOSE.] The legislature finds that children with emotional or behavioral disturbances or who are at risk of suffering such disturbances often require services from multiple service systems including mental health, social services, education, corrections, juvenile court, health, and jobs and training. In order to better meet the needs of these children, it is the intent of the legislature to establish an integrated children's mental health service system that:

- (1) allows local service decision makers to draw funding from a single local source so that funds follow clients and eliminates the need to match clients, funds, services, and provider eligibilities;

- (2) creates a local pool of state, local, and private funds to procure a greater medical assistance federal financial participation;
- (3) improves the efficiency of use of existing resources;
- (4) minimizes or eliminates the incentives for cost and risk shifting; and
- (5) increases the incentives for earlier identification and intervention.

*The children's mental health integrated fund established under sections 245.491 to 245.496 must be used to develop and support this integrated mental health service system. In developing this integrated service system, it is not the intent of the legislature to limit any rights available to children and their families through existing federal and state laws.*

**Sec. 3. [245.492] [DEFINITIONS.]**

*Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 245.491 to 245.496.*

*Subd. 2. [BASE LEVEL FUNDING.] "Base level funding" means funding received from state, federal, or local sources and expended across the local system of care in fiscal year 1993 for children's mental health services or for special education services for children with emotional or behavioral disturbances.*

*Subd. 3. [CHILDREN WITH EMOTIONAL OR BEHAVIORAL DISTURBANCES.] "Children with emotional or behavioral disturbances" includes children with emotional disturbances as defined in section 245.4871, subdivision 15, and children with emotional or behavioral disorders as defined in Minnesota Rules, part 3525.1329, subpart 1.*

*Subd. 4. [FAMILY.] "Family" has the definition provided in section 245.4871, subdivision 16.*

*Subd. 5. [INITIAL TARGET POPULATION.] "Initial target population" means a population of children that the local children's mental health collaborative agrees to serve in the start-up phase and who meet the criteria for the target population. The initial target population may be less than the target population.*

*Subd. 6. [INTEGRATED FUND.] "Integrated fund" is a pool of both public and private local, state, and federal resources, consolidated at the local level, to accomplish locally agreed upon service goals for the target population. The fund is used to help the local children's mental health collaborative to serve the mental health needs of children in the target population by allowing the local children's mental health collaboratives to develop and implement an integrated service system.*

*Subd. 7. [INTEGRATED SERVICE SYSTEM.] "Integrated service system" means a coordinated set of procedures established by the local children's mental health collaborative for coordinating services and actions across categorical systems and agencies that results in:*

- (1) integrated funding;
- (2) outreach, early identification, and intervention across systems;
- (3) strong collaboration between parents and professionals in identifying

children in the target population facilitating access to the integrated system, and coordinating care and services for these children;

(4) a coordinated assessment process across systems that determines which children need multiagency care coordination and wraparound services;

(5) multiagency plan of care and unitary case management coordination; and

(6) wraparound services.

Services provided by the integrated service system must meet the requirements set out in sections 245.487 to 245.4887. Children served by the integrated service system must be economically and culturally representative of children in the service delivery area.

Subd. 8. [INTEGRATED FUND TASK FORCE.] "The integrated fund task force" means the statewide task force established in Laws 1991, chapter 292, article 6, section 57.

Subd. 9. [INTERAGENCY EARLY INTERVENTION COMMITTEE.] "Interagency early intervention committee" refers to the committee established under section 120.17, subdivision 12.

Subd. 10. [LOCAL CHILDREN'S ADVISORY COUNCIL.] "Local children's advisory council" refers to the council established under section 245.4875, subdivision 5.

Subd. 11. [LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] "Local children's mental health collaborative" means an entity formed by the contractual agreement of representatives of the local system of care including mental health services, social services, correctional services, education services, health services, and vocational services for the purpose of developing and governing an integrated service system. A local coordinating council or an interagency early intervention committee may serve as a local children's mental health collaborative if its representatives are capable of carrying out the duties of the local children's mental health collaborative set out in sections 245.491 to 245.496. Where a local coordinating council is not the local children's mental health collaborative, the local children's mental health collaborative must work closely with the local coordinating council in designing the integrated service system.

Subd. 12. [LOCAL COORDINATING COUNCIL.] "Local coordinating council" refers to the council established under section 245.4875, subdivision 6.

Subd. 13. [LOCAL SYSTEM OF CARE.] "Local system of care" has the definition provided in section 245.4871, subdivision 24.

Subd. 14. [MENTAL HEALTH SERVICES.] "Mental health services" has the definition provided in section 245.4871, subdivision 28.

Subd. 15. [MULTIAGENCY PLAN OF CARE.] "Multiagency plan of care" means a written plan of intervention and integrated services developed by a multiagency team in conjunction with the child and family based on their unique strengths and needs as determined by a multiagency assessment. The plan must outline measurable client outcomes and specific services needed to attain these outcomes, the agencies responsible for providing the specified

services, funding responsibilities, timelines, the judicial or administrative procedures needed to implement the plan of care, and the agencies responsible for initiating these procedures.

*Subd. 16. [SERVICE DELIVERY AREA.] "Service delivery area" means the geographic area to be served by the local children's mental health collaborative and must include at a minimum a part of a county and school district or a special education cooperative.*

*Subd. 17. [START-UP FUNDS.] "Start-up funds" means the funds available to assist a local children's mental health collaborative in planning and developing the integrated service system for children in the target population and in setting up a local integrated fund.*

*Subd. 18. [STATE COORDINATING COUNCIL.] "State coordinating council" means the council established under section 245.4873, subdivision 2.*

*Subd. 19. [TARGET POPULATION.] "Target population" means children up to age 18 with an emotional or behavioral disturbance or who are at risk of suffering an emotional or behavioral disturbance as evidenced by a behavior or condition that affects the child's ability to function in a primary aspect of daily living including personal relations, living arrangements, work, school, and recreation and a child who can benefit from:*

- (1) multiagency service coordination and wraparound services; or*
- (2) informal coordination of traditional mental health services provided on a temporary basis.*

*Children between the ages of 18 and 21 who meet this criteria may be included in the target population at the option of the local children's mental health collaborative.*

*Subd. 20. [WRAPAROUND SERVICES.] "Wraparound services" are alternative, flexible, coordinated, and highly individualized services that are based on a multiagency plan of care. These services are designed to build on the strengths and respond to the needs identified in the child's multiagency assessment and to improve the child's ability to function in the home, school, and community. Wraparound services may include, but are not limited to, respite services, services that assist the child or family in enrolling in or participating in recreational activities, assistance in purchasing otherwise unavailable items or services important to maintain a specific child in the family, and services that assist the child to participate in more traditional services and programs.*

#### **Sec. 4. [245.493] [LOCAL LEVEL COORDINATION.]**

*Subdivision 1. [REQUIREMENTS TO QUALIFY AS A LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] In order to qualify as a local children's mental health collaborative and be eligible to receive start-up funds, the representatives of the local system of care, or at a minimum one county, one school district or special education cooperative, and one mental health entity must agree to the following:*

- (1) to establish a local children's mental health collaborative and develop an integrated service system;*
- (2) to meet the duties described in subdivision 2; and*

(3) to commit resources to providing services through the local children's mental health collaborative.

**Subd. 2. [GENERAL DUTIES OF THE LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVES.]** Each local children's mental health collaborative must:

(1) identify a service delivery area and an initial target population within that service delivery area. The initial target population must be economically and culturally representative of children eligible for public services in the service delivery area to be served by the local children's mental health collaborative. The size of the initial target population must also be economically viable for the service delivery area;

(2) develop and communicate to agencies in the local system of care eligibility criteria for services received through the local children's mental health collaborative and a process for determining eligibility. The process shall place strong emphasis on outreach to families, respecting the family role in identifying children in need, and valuing families as partners;

(3) seek to maximize federal revenues available to serve children in the target population by designating local expenditures for mental health services that can be matched with federal dollars and by designing services to meet the requirements for state and federal reimbursement;

(4) in consultation with the local children's advisory council and the local coordinating council, if it is not the local children's mental health collaborative, design, develop, and ensure implementation of an integrated service system and develop interagency agreements necessary to implement the system;

(5) expand membership to include representatives of other services in the local system of care;

(6) develop mechanisms for integrating funds to either expand the initial target population or expand services to the target population;

(7) create or designate a management structure for fiscal and clinical responsibility, data collection, outcome evaluation, and information flow;

(8) develop mechanisms for quality assurance, outcome management, and appeals;

(9) involve the family, and where appropriate the individual child, in developing multiagency service plans to the extent required in sections 253B.03, subdivision 7; 257.071, subdivision 1; and 260.191, subdivision 1e;

(10) meet all standards and provide all mental health services as required in sections 245.487 to 245.488 and ensure that the services provided are culturally appropriate;

(11) spend funds generated by the local children's mental health collaborative as required in sections 245.491 to 245.496;

(12) maintain base level funding for services for children with emotional or behavioral disturbances;

(13) explore methods and recommend changes needed at the state level to reduce duplication and promote coordination of services including the use of uniform forms for reporting, billing, and planning of services;

(14) provide documentation and meet reporting requirements requested by the state coordinating council and state agencies;

(15) negotiate contracts with state agencies and other funding sources for receipt of funds to further the goals of the local children's mental health collaborative; and

(16) if the county participant of the local children's mental health collaborative is also a provider of child welfare targeted case management as authorized by the 1993 legislature, then federal reimbursement received by the county for child welfare targeted case management provided to the target population must be directed to the integrated fund.

Sec. 5. [245.494] [STATE LEVEL COORDINATION.]

Subdivision 1. [STATE COORDINATING COUNCIL.] The state coordinating council, in consultation with the integrated fund task force, shall:

(1) assist local children's mental health collaboratives in meeting the requirements of sections 245.491 to 245.496, by seeking consultation and technical assistance from national experts and coordinating presentations and assistance from these experts to local children's mental health collaboratives;

(2) assist local children's mental health collaboratives in identifying an economically viable initial target population;

(3) develop methods to reduce duplication and promote coordinated services including uniform forms for reporting, billing, and planning of services;

(4) by September 1, 1994, develop a model multiagency plan of care that can be used by local children's mental health collaboratives in place of an individual education plan, individual family community support plan, individual family support plan, and an individual treatment plan;

(5) assist in the implementation and operation of local children's mental health collaboratives by facilitating the integration of funds, coordination of services, and measurement of results, and by providing other assistance as needed;

(6) by September 1, 1993, develop a procedure for awarding start-up funds. Development of this procedure shall be exempt from chapter 14;

(7) develop procedures and provide technical assistance to allow local children's mental health collaboratives to integrate resources for children's mental health services with other resources available to serve children in the target population in order to maximize federal participation and improve efficiency of funding;

(8) ensure that local children's mental health collaboratives and the services received through these collaboratives meet the requirements set out in sections 245.491 to 245.496;

(9) identify base level funding from state and federal sources across systems and work with local children's mental health collaboratives to determine local base level funding;

(10) develop mechanisms to ensure that start-up funds and any additional federal funds generated by local children's mental health collaboratives are spent as required in sections 245.491 to 245.496;



(11) explore ways to access additional federal funds and enhance revenues available to address the needs of the target population;

(12) develop a mechanism for identifying the state share of funding for services to children in the target population and for making these funds available on a per capita basis for services provided through the local children's mental health collaborative to children in the target population. Each year beginning January 1, 1994, forecast the growth in the state share and increase funding for local children's mental health collaboratives accordingly;

(13) identify data to be collected and outcome measures to be reported by local children's mental health collaboratives;

(14) identify barriers to integrated service systems that arise from data practices and make recommendations including legislative changes needed in the data privacy act to address these barriers;

(15) annually review the expenditures of local children's mental health collaboratives to ensure that funding for services provided to the target population continues from sources other than the federal funds earned under sections 245.491 to 245.496 and that federal funds earned are spent consistent with sections 245.491 to 245.496; and

(16) provide the integrated fund task force with information requested.

*Subd. 2. [STATE COORDINATING COUNCIL REPORT.]* Each year, beginning February 1, 1995, the state coordinating council must submit a report to the legislature on the status of the local children's mental health collaboratives. The report must include the number of local children's mental health collaboratives, the amount and type of resources committed to local children's mental health collaboratives, the additional federal revenue received as a result of local children's mental health collaboratives, the services provided, the number of children served, outcome indicators, the identification of barriers to additional collaboratives and funding integration, and recommendations for further improving service coordination and funding integration.

*Subd. 3. [DUTIES OF THE COMMISSIONER OF HUMAN SERVICES.]* The commissioner of human services, in consultation with the integrated fund task force, shall:

(1) separate all medical assistance, general assistance medical care, and MinnesotaCare resources devoted to mental health services including inpatient, outpatient, medication, services under the rehabilitation option, and related physician services from the total health capitation under section 256B.69 and develop a separate contract for managing these mental health benefits that will require all contractors to:

(i) provide mental health services eligible for medical assistance reimbursement;

(ii) meet performance standards established by the commissioner of human services including providing services consistent with the requirements and standards set out in sections 245.487 to 245.4888 and 245.491 to 245.496;

(iii) provide the commissioner of human services with data consistent with that collected under sections 245.487 to 245.4888; and

(iv) in service delivery areas where there is a local children's mental health collaborative for the target population defined by local children's mental health collaborative:

(A) participate in the local children's mental health collaborative;

(B) commit resources to local children's mental health collaboratives that are actuarially equivalent to resources received for the target population being served by local children's mental health collaboratives; and

(C) meet the requirements and the performance standards developed for local children's mental health collaboratives;

(2) develop a mechanism for integrating medical assistance resources for mental health service with resources for general assistance medical care, MinnesotaCare, and any other state and local resources available for services for children in the target population and develop a procedure for making these resources available for use by a local children's mental health collaborative;

(3) gather data needed to manage mental health care including evaluation data and data necessary to establish a separate capitation rate for children's mental health services if that option is selected;

(4) by January 1, 1994, develop a model contract for providers of mental health managed care that meets the requirements set out in sections 245.491 to 245.496 and 256B.69, and utilize this contract for all subsequent awards, and before January 1, 1995, the commissioner of human services shall not enter into or extend any contract under section 256B.69 that would impede the implementation of sections 245.491 to 245.496;

(5) by January 1, 1994, develop revenue enhancement or rebate mechanisms and procedures to certify expenditures made through local children's mental health collaboratives for mental health services that may be eligible for federal financial participation under medical assistance and other federal programs and provide technical assistance to help local children's mental health collaboratives certify local expenditures;

(6) assist local children's mental health collaboratives in identifying an economically viable initial target population;

(7) seek all necessary federal waivers or approvals and recommend necessary legislation to enhance federal revenue, provide clinical and management flexibility, and otherwise meet the goals of local children's mental health collaboratives;

(8) take all steps necessary to secure medical assistance reimbursement under the rehabilitation option for residential treatment and for family community support services when these services are provided through a local children's mental health collaborative; and

(9) provide a mechanism to identify separately the reimbursement to a county for child welfare targeted case management provided to the target population for purposes of subsequent transfer by the county to the integrated fund.

Subd. 4. [RULEMAKING.] The commissioners of human services, health, corrections, and the state board of education shall adopt or amend rules as necessary to implement sections 245.491 to 245.496.

*Subd. 5. [RULE MODIFICATION.] The commissioner of human services shall modify the service and claiming requirements set out in Minnesota Rules, parts 9520.0900 to 9520.0926 and 9505.0323, as it pertains to mental health, to correspond with similar provisions proposed under the Family Preservation Investment Project-Federal Revenue Enhancement Initiative.*

**Sec. 6. [245.495] [ADDITIONAL FEDERAL REVENUES.]**

*Each local children's mental health collaborative shall report expenditures eligible for federal reimbursement in a manner prescribed by the commissioner of human services under section 256.01, subdivision 2, clause (17). The commissioner of human services shall pay all funds earned by each local children's mental health collaborative to the collaborative. Each local children's mental health collaborative must use these funds to expand the initial target population or to develop or provide mental health services through the local integrated service system to children in the target population. Funds may not be used to supplant funding for services to children in the target population.*

*For purposes of this section, "mental health services" are community-based, nonresidential services, which may include respite care, that are identified in the child's multiagency plan of care.*

**Sec. 7. [245.496] [IMPLEMENTATION.]**

*Subdivision 1. [APPLICATIONS FOR START-UP FUNDS FOR LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVES.] By September 1, 1993, the commissioner of human services shall publish the procedures for awarding start-up funds. Applications for local children's mental health collaboratives shall be obtained through the commissioner of human services and submitted to the state coordinating council. The application must state the amount of start-up funds requested by the local children's mental health collaborative and how the local children's mental health collaborative intends on using these funds.*

*Subd. 2. [DISTRIBUTION OF START-UP FUNDS.] By January 1, 1994, the state coordinating council must ensure distribution of start-up funds to local children's mental health collaboratives that meet the requirements established in section 245.493 and whose applications have been approved by the council. If the number of applications received exceed the number of local children's mental health collaboratives that can be funded, the funds must be geographically distributed across the state and balanced between the seven-county metro area and the rest of the state. Preference must be given to collaboratives that include the juvenile court and correctional systems, multiple school districts, or other multiple government entities from the local system of care. In rural areas, preference must also be given to local children's mental health collaboratives that include multiple counties. Initially, no more than one collaborative per county may qualify for start-up funds.*

*Subd. 3. [SUBMISSION AND APPROVAL OF LOCAL COLLABORATIVE PROPOSALS FOR INTEGRATED SYSTEMS.] By December 31, 1994, a local children's mental health collaborative that received start-up funds must submit to the state coordinating council its proposal for creating and funding an integrated service system for children in the target population. Within 60 days of receiving the local collaborative proposal the state coordinating council must review the proposal and notify the local children's*

*mental health collaborative as to whether or not the proposal has been approved. If the proposal is not approved, the state coordinating council must indicate changes needed to receive approval.*

Sec. 8. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 32. [FAMILY COMMUNITY SUPPORT SERVICES.] Medical assistance covers family community support services as defined in section 245.4871, subdivision 17.*

Sec. 9. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 33. [THERAPEUTIC SUPPORT OF FOSTER CARE.] Medical assistance covers therapeutic support of foster care as defined in section 245.4871, subdivision 34.*

Sec. 10. Laws 1991, chapter 292, article 6, section 57, subdivision 1, is amended to read:

**Subdivision 1. [STATEWIDE TASK FORCE.]** The commissioner of human services shall convene a task force to study the feasibility of establishing an integrated children's mental health fund. The task force shall consist of mental health professionals, county social services personnel, service providers, advocates, and parents of children who have experienced episodes of emotional disturbance. The task force shall also include representatives of the children's mental health subcommittee of the state advisory council and local coordinating councils established under Minnesota Statutes, sections 245.487 to 245.4887. The task force shall include the commissioners of education, health, and human services; two members of the senate; and two members of the house of representatives. The task force shall examine all possible county, state, and federal sources of funds for children's mental health with a view to designing an integrated children's mental health fund, improving methods of coordinating and maximizing all funding sources, and increasing federal funding. Programs to be examined shall include, but not be limited to, the following: medical assistance, title IV-E of the social security act, title XX social service programs, chemical dependency programs, education and special education programs, and, for children with a dual diagnosis, programs for the developmentally disabled. The task force may consult with experts in the field, as necessary. ~~The task force shall make a preliminary report and recommendations on local coordination of funding sources by January 1, 1992, to facilitate the development of local protocols and procedures under subdivision 2. The task force shall submit a final report to the legislature by January 1, 1993, with its findings and recommendations. By January 1, 1994, the task force shall provide a report to the legislature with recommendations of the task force for promoting integrated funding and services for children's mental health. The report must include the following recommendations: (1) how to phase in all delivery systems, including the juvenile court and correctional systems; (2) how to expand the initial target population so that the state eventually has a statewide integrated children's mental health service system that integrates funding regardless of source for children with emotional or behavioral disturbances or those at risk of suffering such disturbances; (3) possible outcome measures of the local children's mental health collaboratives; and (4) for any necessary legislative changes in the data practices act. The task force shall continue through June 30, 1995, and shall advise and~~

*assist the state coordinating council and local children's mental health collaboratives as required in sections 245.491 to 245.496.*

Sec. 11. Laws 1991, chapter 292, article 6, section 57, subdivision 3, is amended to read:

Subd. 3. [FINAL REPORT.] By February 15, 1993, the commissioner of human services shall provide a report to the legislature that describes the reports and recommendations of the statewide task force under subdivision 1 and of the local coordinating councils under subdivision 2, and provides the commissioner's recommendations for legislation or other needed changes.

Sec. 12. [APPROPRIATIONS.]

*Subdivision 1. \$100,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, to be administered by the state coordinating council for consultation and technical assistance to local children's mental health collaboratives as provided in section 5.*

*Subd. 2. \$60,000 in fiscal year 1994 and \$60,000 in fiscal year 1995 are appropriated from the general fund to the commissioner of human services for additional staff to be assigned to the medical assistance program.*

*Subd. 3. \$800,000 is appropriated from the general fund to the state coordinating council to be available for the biennium ending June 30, 1995, for start-up funds for local children's mental health collaboratives.*

*Subd. 4. \$150,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, for three additional staff positions, one to be assigned to the state coordinating council, one to be assigned to the department of health, and one to remain at the department of human services.*

*Subd. 5. \$60,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, for one staff person to be assigned to the integrated fund task force.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 8 and 9 are effective January 1, 1994.'*

Delete the title and insert:

*"A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245."*

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

Mr. Berg from the Committee on Gaming Regulation, to which was referred

S.F. No. 180: A bill for an act relating to horse racing; proposing an amendment to the Minnesota Constitution, article X, section 8; permitting the legislature to authorize pari-mutuel betting on horse racing without limitation; directing the Minnesota racing commission to prepare and submit legislation to implement televised off-site betting.

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

Page 1, line 19, after "authorize" insert "off-track"

Page 2, line 1, delete "1994" and insert "1995"

Page 2, line 4, delete from "The" through page 2, line 11, to "wagering."

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

Mr. Berg from the Committee on Gaming Regulation, to which was referred

S.F. No. 700: A bill for an act relating to horse racing; permitting two class A licenses within the seven-county metropolitan area; permitting the state fair to apply for a pari-mutuel horse racing license; permitting distributions from the breeders' fund for Minnesota-bred horses racing in other racing jurisdictions; amending Minnesota Statutes 1992, sections 240.06, subdivisions 5 and 5a; 240.09, subdivision 1; and 240.18, subdivision 1.

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. 145 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.
145	173				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 145 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 145 and insert the language after the enacting clause of S.F. No. 173, the first engrossment; further, delete the title of H.F. No. 145 and insert the title of S.F. No. 173, the first engrossment.

And when so amended H.F. No. 145 will be identical to S.F. No. 173, and further recommends that H.F. No. 145 be given its second reading and substituted for S.F. No. 173, 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. 227 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.
227			242		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 227 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 227 and insert the language after the enacting clause of S.F. No. 242, the first engrossment; further, delete the title of H.F. No. 227 and insert the title of S.F. No. 242, the first engrossment.

And when so amended H.F. No. 227 will be identical to S.F. No. 242, and further recommends that H.F. No. 227 be given its second reading and substituted for S.F. No. 242, 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. 97 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.
97			93		

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. 568, 282, 169, 265, 262, 57, 50, 331, 33, 464, 5, 484, 431 and 700 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 145, 227 and 97 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Finn moved that his name be stricken as a co-author to S.F. No. 135. The motion prevailed.

Mr. Cohen moved that the name of Mr. Pogemiller be added as a co-author to S.F. No. 270. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Benson, D.D. be added as a co-author to S.F. No. 431. The motion prevailed.

Mr. Merriam moved that the name of Mr. Marty be added as a co-author to S.F. No. 436. The motion prevailed.

Mr. Sams moved that his name be stricken as a co-author to S.F. No. 448. The motion prevailed.

Mr. Metzen moved that the name of Ms. Krentz be added as a co-author to S.F. No. 494. The motion prevailed.

Ms. Runbeck moved that the name of Mr. Merriam be added as a co-author to S.F. No. 541. The motion prevailed.

Mr. Murphy moved that the name of Mr. Neville be added as a co-author to S.F. No. 672. The motion prevailed.

Mr. Marty moved that the name of Mr. Price be added as a co-author to S.F. No. 695. The motion prevailed.

Mr. Stumpf moved that the names of Messrs. Lessard and Samuelson be added as co-authors to S.F. No. 719. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Finn be added as a co-author to S.F. No. 735. The motion prevailed.

Ms. Berglin moved that the names of Mr. Riveness and Ms. Ranum be added as co-authors to S.F. No. 736. The motion prevailed.

Mr. Kelly moved that the name of Ms. Pappas be added as a co-author to S.F. No. 787. The motion prevailed.

Ms. Piper moved that S.F. No. 656 be withdrawn from the Committee on Metropolitan and Local Government and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Hanson and Mr. Chmielewski introduced—

S.F. No. 796: A bill for an act relating to transportation; exempting public bodies from regulations on all-terrain vehicles; allowing commissioner of transportation to transfer certain real property acquired for highway purposes to former owner through negotiated settlement; providing for bridge inspection frequency and reports; delaying required revision of state transportation plan; authorizing expenditure of rail service maintenance account money for maintenance of rail lines and rights-of-way in the rail bank; providing funding sources for rail bank maintenance account; authorizing sale of certain tax-forfeited land that borders public water in New Scandia township in Washington county, and an exchange of that land for land located in Stillwater township in Washington county between the state of Minnesota and the United States Department of Interior, National Park Service; repealing identification



display requirements for highway advertising signs; amending Minnesota Statutes 1992, sections 84.92, subdivision 6; 165.03; 174.03, subdivision 1a; 222.50, subdivision 7; 222.63, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, section 173.14; and Minnesota Rules, part 8810.1300, subpart 6.

Referred to the Committee on Transportation and Public Transit.

Mr. Chmielewski introduced—

S.F. No. 797: A bill for an act relating to human services; establishing the Minnesota Psychopathic Personality Treatment Center; clarifying administrative management of the Minnesota Security Hospital; amending Minnesota Statutes 1992, section 253.202; proposing coding for new law as Minnesota Statutes, chapter 246B.

Referred to the Committee on Health Care.

Mr. Chmielewski introduced—

S.F. No. 798: A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

Referred to the Committee on Governmental Operations and Reform.

Ms. Johnson, J.B. introduced—

S.F. No. 799: A bill for an act relating to wastewater treatment; forgiving the portion of a loan to the city of Cambridge from the water pollution control revolving fund that is attributable to preservation of a designated scenic river.

Referred to the Committee on Environment and Natural Resources.

Messrs. Mondale, Hottinger, Mses. Wiener, Reichgott and Ranum introduced—

S.F. No. 800: A bill for an act relating to animals; setting standards for care of dogs and cats by pet dealers, breeders, and brokers; providing for seizure and disposition of certain animals that are suffering cruelty or neglect, are in danger, or are a significant health risk to animals or humans; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 346.

Referred to the Committee on Veterans and General Legislation.

Mses. Pappas, Olson, Messrs. Janezich, Beckman and Ms. Ranum introduced—

S.F. No. 801: A bill for an act relating to education; directing the education department to provide materials, training, and assistance under the comprehensive arts planning program; appropriating money; amending Minnesota Statutes 1992, section 124C.08, subdivision 1.

Referred to the Committee on Education.

Mr. Mondale introduced—

S.F. No. 802: A bill for an act relating to family law; uniform child custody jurisdiction act; giving a court in this state jurisdiction in a case where a child is the subject of a court order issued in another nation and the child may be removed from the United States if the order is given effect; proposing coding for new law in Minnesota Statutes, chapter 518A.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 803: A bill for an act relating to occupations and professions; abstractors; providing for certain applicants to be exempt from the bond and liability insurance requirement; amending Minnesota Statutes 1992, section 386.66.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Merriam introduced—

S.F. No. 804: A bill for an act relating to the department of finance; providing for state financial management reform; amending Minnesota Statutes 1992, sections 16A.04, subdivision 1; 16A.10, subdivision 2; 16A.11, subdivision 1, and by adding a subdivision; 16A.14, by adding a subdivision; 16A.15, subdivision 1; and 124.196.

Referred to the Committee on Finance.

Ms. Berglin introduced—

S.F. No. 805: A bill for an act relating to human services; providing for a pilot project for inner city culturally oriented residences for young African American women with children; appropriating money.

Referred to the Committee on Family Services.

Ms. Lesewski, Mr. Vickerman, Mses. Olson and Johnston introduced—

S.F. No. 806: A bill for an act relating to education; changing certain dissolution requirements for independent school district Nos. 408, Verdi, and 404, Lake Benton.

Referred to the Committee on Education.

Messrs. Riveness, Metzen, Ms. Wiener, Messrs. Murphy and Benson, D.D. introduced—

S.F. No. 807: A bill for an act relating to state government; reports to the legislature; prohibiting standing requirements for periodic reports; amending Minnesota Statutes 1992, section 3.195, by adding a subdivision; repealing Minnesota Statutes 1992, section 3.195, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mr. Bertram introduced—

S.F. No. 808: A bill for an act relating to public employment; extending eligibility for insurance continuation for certain former public employees.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Belanger, Oliver, Kroening, Meses. Johnston and Wiener introduced—

S.F. No. 809: A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2, 3, and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.06; 155A.09, subdivision 7; 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Kelly introduced—

S.F. No. 810: A bill for an act relating to local government; abolishing the office of county attorney; creating the office of district attorney and transferring all duties and responsibilities of the office of county attorney to that office; providing for election of district attorneys; establishing a district attorney board for each judicial district to assist in organizing and financing the office of district attorney; amending Minnesota Statutes 1992, sections 388.01; 388.051; and 388.08; proposing coding for new law in Minnesota Statutes, chapters 205; and 388; repealing Minnesota Statutes 1992, sections 388.09, subdivision 1; 388.10; 388.18; 388.19; 388.20; 388.21; and 388.22.

Referred to the Committee on Crime Prevention.

Messrs. Riveness, Chmielewski, Langseth, Marty and Knutson introduced—

S.F. No. 811: A bill for an act relating to transportation; providing for a metropolitan area high speed bus study; appropriating money.

Referred to the Committee on Transportation and Public Transit.

Messrs. Price, Kelly and Metzen introduced—

S.F. No. 812: A bill for an act relating to the environment; increasing and extending the motor vehicle transfer fee; establishing a grant program for the purpose of examining management alternatives for motor vehicle shredder residue; requiring the pollution control agency to address management of shredder residue; appropriating money; amending Minnesota Statutes 1992, sections 115A.90, by adding a subdivision; and 115A.908; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Messrs. McGowan, Dille and Bertram introduced—

S.F. No. 813: A bill for an act relating to agriculture; redefining terms in the plant pest act; amending Minnesota Statutes 1992, section 18.46, subdivisions 3 and 9, and by adding a subdivision.

Referred to the Committee on Agriculture and Rural Development.

Mr. Riveness, Meses. Flynn, Wiener, Ranum and Mr. Cohen introduced—

S.F. No. 814: A bill for an act relating to metropolitan government; requiring a classroom noise study.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Knutson, Solon, Chandler, Riveness and Larson introduced—

S.F. No. 815: A bill for an act relating to consumer protection; providing for optional contracts for solid waste collection services; providing for penalties; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Chmielewski and Langseth introduced—

S.F. No. 816: A bill for an act relating to transportation; increasing payment to ethanol producers and repealing tax credit; changing wetland replacement requirement for highway projects; defining highway and highway purpose; allocating federal surface transportation program funds; expanding basis for municipal census determinations; changing requirements for oxygenated gasoline use and content; increasing motor fuel tax and indexing rate; imposing a transportation tax on motor vehicle sales and apportioning tax revenues; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 103G.222; 160.02, subdivision 7, and by adding a subdivision; 161.085; 162.09, subdivision 4; 174.32, subdivisions 2 and 5; 239.791, subdivisions 1 and 2; 296.02, subdivision 1b, and by adding a subdivision; 297B.02, by adding a subdivision; 297B.09, subdivision 1; and 473.446, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 161.086; and 296.02, subdivisions 7 and 8.

Referred to the Committee on Transportation and Public Transit.

Messrs. Morse; Metzen; Johnson, D.J.; Luther and Kroening introduced—

S.F. No. 817: A bill for an act relating to public employment; providing an early retirement incentive for certain public employees; authorizing school districts to levy for certain costs.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Murphy, Stumpf and Ms. Wiener introduced—

S.F. No. 818: A bill for an act relating to education; post-secondary; prescribing changes in eligibility and in duties and responsibilities regarding certain financial assistance programs; amending Minnesota Statutes 1992, sections 136A.101, subdivision 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; and 136A.233, subdivisions 2 and 3; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134.

Referred to the Committee on Education.

Mses. Johnson, J.B.; Lesewski and Mr. Novak introduced—

S.F. No. 819: A bill for an act relating to telephone services; prohibiting collection of charges for information services as if they were charges for telephone services; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Ms. Pappas, Messrs. Johnson, D.J.; Beckman; Hottinger and Mrs. Benson, J.E. introduced—

S.F. No. 820: A bill for an act relating to tax increment financing; providing for manufacturing districts; exempting manufacturing districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving increment; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivisions 4, 9, and by adding subdivisions; 469.175, subdivisions 1, 3, and by adding a subdivision; 469.176, subdivision 1; 469.1763, by adding a subdivision; and 469.177, subdivisions 1 and 2.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Merriam, Betzold, Ms. Runbeck and Mr. Novak introduced—

S.F. No. 821: A bill for an act relating to counties; authorizing a county to transfer funds to and enter into contracts with community action agencies; amending Minnesota Statutes 1992, section 375.18, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Mr. Merriam introduced—

S.F. No. 822: A bill for an act relating to finance; proposing an amendment to the Minnesota Constitution, article XI, section 6; requiring a declaration of urgency and a vote of two-thirds of the members of each house of the legislature to authorize issuance of certificates of indebtedness.

Referred to the Committee on Finance.

Mr. Johnson, D.J. introduced—

S.F. No. 823: A bill for an act relating to intoxicating liquor; authorizing the town of Schroeder in Cook county to issue an off-sale license to an exclusive liquor store.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Day introduced—

S.F. No. 824: A bill for an act relating to retirement; teacher retirement plans; state deferred compensation program; recodifying state deferred compensation program; providing state deferred compensation program coverage for extracurricular teaching activity compensation; amending Minnesota

Statutes 1992, sections 352.031, subdivision 2; 353D.12, subdivision 4; 354.05, by adding subdivisions; 354.07, by adding a subdivision; 354.42, subdivisions 2, 3, 5, and by adding a subdivision; 354.44, subdivision 6; 354.46, subdivision 1; 354A.011, by adding subdivisions; 354A.021, by adding a subdivision; 354A.12, subdivisions 1, 1a, 2, 2a, and by adding a subdivision; 354A.31, subdivision 4; 356.24, subdivision 1, and by adding a subdivision; and 518.54, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 125; and 352E; repealing Minnesota Statutes 1992, sections 352.96; and 352.97.

Referred to the Committee on Governmental Operations and Reform.

Mr. Metzen introduced—

S.F. No. 825: A bill for an act relating to retirement; Minneapolis employees retirement fund; permitting purchase of service credit by a certain member.

Referred to the Committee on Governmental Operations and Reform.

Mr. Price, Ms. Pappas, Mr. Hottinger, Mses. Flynn and Runbeck introduced—

S.F. No. 826: A bill for an act relating to counties; allowing counties to impose fees or interest on late payments; amending Minnesota Statutes 1992, section 373.41.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Spear, Berg, Marty, McGowan and Mondale introduced—

S.F. No. 827: A bill for an act relating to racketeering; expanding the RICO law to include gambling crimes; authorizing the division of gambling enforcement to seize and forfeit property under the criminal forfeiture law; expanding the definition of criminal racketeering acts and of a pattern of racketeering activity; amending Minnesota Statutes 1992, sections 609.531, subdivision 1; 609.76; and 609.902, subdivisions 4 and 5.

Referred to the Committee on Crime Prevention.

Mr. Sams introduced—

S.F. No. 828: A bill for an act relating to taxation; exempting the sale of used motor vehicles from the motor vehicle excise tax; amending Minnesota Statutes 1992, section 297B.03; repealing Minnesota Statutes 1992, sections 297B.02, subdivisions 2 and 3; and 297B.025.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sams introduced—

S.F. No. 829: A bill for an act relating to taxation; individual income; corporate franchise; sales tax; allowing investment tax credits; exempting replacement capital equipment from sales tax; amending Minnesota Statutes 1992, section 297A.01, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sams, Samuelson and Bertram introduced—

S.F. No. 830: A bill for an act relating to oxygenated gasoline; specifying minimum oxygen content; amending Minnesota Statutes 1992, section 239.791, subdivisions 1 and 2.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Sams introduced—

S.F. No. 831: A bill for an act relating to health; MinnesotaCare; modifying membership requirements for regional coordinating boards; eliminating their repeal; amending Minnesota Statutes 1992, section 62J.09, subdivision 2; repealing Minnesota Statutes 1992, section 62J.09, subdivision 8.

Referred to the Committee on Health Care.

Messrs. Hottinger; Benson, D.D. and Kelly introduced—

S.F. No. 832: A bill for an act relating to occupations and professions; regulating athletic trainers; establishing an advisory council; providing for registration; requiring fees; providing for rulemaking; imposing penalties; appropriating money; amending Minnesota Statutes 1992, section 116J.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Mr. Kelly introduced—

S.F. No. 833: A bill for an act relating to retirement; public employees retirement association; permitting payment in lieu of salary deductions to obtain service credit notwithstanding a one-year time limitation.

Referred to the Committee on Governmental Operations and Reform.

Ms. Johnson, J.B.; Mr. Chandler, Ms. Anderson, Messrs. Dille and Novak introduced—

S.F. No. 834: A bill for an act relating to motor fuels; directing public service department to evaluate and implement policy to provide incentives for developing use of motor vehicles powered by alternate fuels; exempting alternative fuels from motor fuel tax but requiring permit; amending Minnesota Statutes 1992, sections 216C.01, by adding subdivisions; 296.01, by adding subdivisions; 296.025, subdivision 1a; and 296.026, subdivisions 1, 2a, 6, and 7; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

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

Messrs. McGowan, Samuelson, Laidig, Mrs. Benson, J.E. and Ms. Lesewski introduced—

S.F. No. 835: A bill for an act relating to corrections; authorizing prosecution of certain juveniles as serious youthful offenders when they commit serious felony offenses; requiring that convicted serious youthful offenders be committed to the commissioner of corrections until the age of 21; authorizing serious youthful offenders to be placed in any correctional facility;

amending Minnesota Statutes 1992, sections 242.14; 242.18; 242.19; 242.195, subdivision 3; 242.44; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.171, subdivisions 2 and 4; 260.173, subdivision 4; 260.181, subdivision 4; 609.055, subdivision 2, and by adding a subdivision; and 641.14; proposing coding for new law in Minnesota Statutes, chapters 242; 260; and 609.

Referred to the Committee on Crime Prevention.

Messrs. Sams, Bertram and Murphy introduced—

S.F. No. 836: A bill for an act relating to agriculture; modifying the over-order premium milk price; amending Minnesota Statutes 1992, section 32A.071, subdivisions 2, 4, and by adding a subdivision.

Referred to the Committee on Agriculture and Rural Development.

Mr. Belanger, Ms. Johnston, Mr. Langseth, Mses. Hanson and Ranum introduced—

S.F. No. 837: A bill for an act relating to traffic regulations; authorizing cities of the second class to establish programs for citizen enforcement of laws governing parking spaces for persons with disabilities; amending Minnesota Statutes 1992, section 169.346, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Mrs. Benson, J.E.; Messrs. Bertram; Larson; Moe, R.D. and Price introduced—

S.F. No. 838: A bill for an act relating to capital improvements; appropriating money and authorizing the sale of state bonds to develop architectural drawings for remodeling at St. Cloud Technical College.

Referred to the Committee on Education.

Mr. Betzold, Mses. Reichgott and Ranum introduced—

S.F. No. 839: A bill for an act relating to family law; child visitation; providing procedures for dealing with allegations of child abuse; requiring certain training for guardians ad litem in family court; providing for appointment of experts and court evaluation of evidence of abuse; appropriating money; amending Minnesota Statutes 1992, sections 518.165, by adding a subdivision; and 518.175, subdivision 5.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 840: A bill for an act relating to mental health; authorizing interstate contracts between Wisconsin and Minnesota for the treatment of mentally ill persons who have been involuntarily committed; amending Minnesota Statutes 1992, section 245.50, subdivision 3, and by adding a subdivision.

Referred to the Committee on Health Care.



Mses. Ranum, Pappas, Messrs. Johnson, D.J. and Solon introduced—

S.F. No. 841: A bill for an act relating to education; modifying pupil transportation funding; increasing compensatory revenue; increasing funding for limited English proficiency programs; increasing desegregation grants; creating an additional special education formula; including lease purchase amount in the debt service equalization aid program; increasing funding for the learning readiness program; appropriating money; amending Minnesota Statutes 1992, sections 124.17, subdivision 1d; 124.223, subdivision 3; 124.225, subdivisions 1, 7b, and 7d; 124.226, by adding a subdivision; 124.2615, subdivision 2; 124.273, subdivision 1b; 124.32, subdivisions 1b and 5; 124.91, subdivisions 1 and 3; 124.912, subdivision 3, and by adding a subdivision; 124.95, subdivision 1; Laws 1991, chapter 265, article 2, section 19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124C; repealing Minnesota Statutes 1992, sections 124.321; and 124.912, subdivision 2.

Referred to the Committee on Education.

Mr. Merriam introduced—

S.F. No. 842: A bill for an act relating to state lands; exempting certain lakeshore lots from sale requirements; authorizing the commissioner of natural resources to acquire personal property; amending Minnesota Statutes 1992, section 92.67, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mses. Flynn, Pappas, Mrs. Pariseau, Messrs. Mondale and Betzold introduced—

S.F. No. 843: A bill for an act relating to metropolitan government; providing for an elected metropolitan council and public campaign financing for council elections; providing for the metropolitan council to appoint the chairs of certain metropolitan agencies; revising the membership of the metropolitan airports commission; requiring the metropolitan council to review and approve certain metropolitan agencies' capital budgets and review and comment on their operating budgets; creating a metropolitan land use planning commission; directing the council to study and report on transit governance in the metropolitan area; eliminating the role of the county regional railroad authorities in metropolitan light rail transit; amending Minnesota Statutes 1992, sections 10A.01, subdivision 18; 15.0597, subdivision 1; 15A.081, subdivision 1; 43A.18, subdivision 5; 174.32, subdivisions 2 and 3; 204B.32, subdivision 2; 352D.02, subdivision 1; 353D.01, subdivision 2; 398A.04, subdivision 8; 473.121, subdivision 5a, and by adding a subdivision; 473.123, subdivisions 2a, 3, 3a, 4, 5, 6, and by adding a subdivision; 473.129, by adding a subdivision; 473.141, subdivisions 3, 4a, 5, and 7; 473.163, subdivision 2; 473.175; 473.303, subdivision 6; 473.373, subdivision 4a; 473.399, subdivision 1; 473.3991, subdivision 1; 473.3994, subdivision 7; 473.3996, subdivision 2; 473.404, subdivisions 2, 5, 6, and 7; 473.4051; 473.553, subdivision 1, and by adding a subdivision; 473.603, subdivision 2, and by adding a subdivision; 473.605, subdivision 2; 473.661, by adding a subdivision; 473.852, subdivision 2; 473.854; 473.856; 473.857, subdivisions 1, 2, and 3; 473.858, subdivisions 1, 2, and 3; 473.864, subdivisions 1 and 2; 473.865, subdivision 1; 473.866; 473.867, subdivisions 1, 2, 3, and 5; 473.869; and 473.871; proposing coding for new law in

Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 15A.081, subdivision 7; 473.3991, subdivision 2; 473.3997; 473.3998; 473.604; 473.621, subdivisions 6 and 7; and 473.853; and Laws 1989, chapter 339, section 21.

Referred to the Committee on Metropolitan and Local Government.

Mr. Luther introduced—

S.F. No. 844: A bill for an act relating to public employees; requiring public employers to afford time off to appointed representatives of an exclusive representative of any Minnesota public employer; amending Minnesota Statutes 1992, section 179A.07, subdivision 6.

Referred to the Committee on Governmental Operations and Reform.

Ms. Kiscaden introduced—

S.F. No. 845: A bill for an act relating to health; providing an exception to the moratorium on nursing home bed certification; amending Minnesota Statutes 1992, section 144A.071, subdivision 3.

Referred to the Committee on Health Care.

Mr. Benson, D.D.; Ms. Kiscaden, Messrs. Sams, Hottinger and Samuelson introduced—

S.F. No. 846: A bill for an act relating to health; modifying provisions relating to billing of Medicare beneficiaries; amending Minnesota Statutes 1992, section 62J.25.

Referred to the Committee on Health Care.

Messrs. Murphy; Moe, R.D.; Kroening; Benson, D.D. and Vickerman introduced—

S.F. No. 847: A bill for an act relating to utilities; repealing the authority of a municipality to acquire the property of another electric service provider through eminent domain; repealing Minnesota Statutes 1992, section 216B.47.

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

Messrs. Janezich, Frederickson, Stumpf and Lessard introduced—

S.F. No. 848: A bill for an act relating to natural resources; mineral leasing; environmental research and protection; exploratory mineral borings and data; lean ore stockpile removal; oil and gas well spacing, pooling, and unitization; amending Minnesota Statutes 1992, sections 92.50, subdivision 1; 93.001; 93.002, subdivisions 1 and 3; 93.25; 93.46, by adding a subdivision; 93.481, subdivisions 1 and 2; 103I.113; 103I.601, subdivision 1; 103I.605, subdivision 4; and 282.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 93.

Referred to the Committee on Environment and Natural Resources.

Mr. Hottinger and Ms. Anderson introduced—

S.F. No. 849: A bill for an act relating to commerce; real estate; regulating brokers and salespersons; requiring certain radon testing disclosures in connection with the sale of residential property; amending Minnesota Statutes 1992, section 82.19, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Hottinger and Frederickson introduced—

S.F. No. 850: A bill for an act relating to civil commitment; authorizing new procedures for return of certain patients who are absent from treatment facilities without authorization; amending Minnesota Statutes 1992, section 253B.23, subdivision 1a.

Referred to the Committee on Judiciary.

Messrs. Price, Larson, Beckman, Mrs. Benson, J.E. and Mr. Janezich introduced—

S.F. No. 851: A bill for an act relating to education; providing for regional bargaining; establishing regional boards and defining their powers and duties; amending Minnesota Statutes 1992, sections 179A.03, subdivisions 2 and 15; 179A.04, subdivision 2; and 179A.20, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 122; and 179A.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Luther, Janezich, Samuelson, Ms. Wiener and Mr. Solon introduced—

S.F. No. 852: A bill for an act relating to consumer protection; providing for a review list; providing for independent medical examinations requested by third-party payors; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 146.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Stumpf, Beckman, Pogemiller and Morse introduced—

S.F. No. 853: A bill for an act relating to retirement; volunteer firefighters' relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain local volunteer firefighters relief association provisions; amending Minnesota Statutes 1992, sections 11A.04; 356.218, subdivisions 2 and 3; 424A.001, by adding subdivisions; 424A.01, by adding a subdivision; and 424A.02, subdivisions 1, 3, and by adding subdivisions; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 424A.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Stumpf, Beckman and Larson introduced—

S.F. No. 854: A bill for an act relating to education; modifying the secondary sparsity formula; creating a secondary sparsity revenue guarantee; amending Minnesota Statutes 1992, section 124A.22, subdivision 6.

Referred to the Committee on Education.

Messrs. Stumpf, Hottinger and Mrs. Benson, J.E. introduced—

S.F. No. 855: A bill for an act relating to retirement; extending coverage of the correctional employees retirement plan to certain teachers employed by the departments of corrections and human services; amending Minnesota Statutes 1992, section 352.91, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Ms. Runbeck introduced—

S.F. No. 856: A bill for an act relating to employment; renaming and modifying provisions relating to the dislocated worker fund; establishing the job skills partnership grant program; amending Minnesota Statutes 1992, sections 116L.03, subdivision 7; and 268.022, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Ms. Pappas, Messrs. Pogemiller and Finn introduced—

S.F. No. 857: A bill for an act relating to taxation; sales and use; excluding building cleaning and maintenance from the definition of a sale; amending Minnesota Statutes 1992, section 297A.01, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Cohen, Novak and Spear introduced—

S.F. No. 858: A bill for an act relating to human rights; adding an exemption from unfair discriminatory employment practices; amending Minnesota Statutes 1992, section 363.02, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 859: A bill for an act relating to human rights; prohibiting discrimination against certain persons who have physical or sensory disabilities and who use service animals; clarifying certain language governing transportation of disabled persons; clarifying the commissioner's acceptance of charges; providing for office of administrative hearings costs to be charged in human rights cases; amending Minnesota Statutes 1992, sections 363.01, subdivisions 30a, 35, 41b, and by adding a subdivision; 363.03, subdivisions 2, 4, and 10; 363.06, subdivisions 1 and 4; and 363.071, subdivision 1a.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Riveness and Morse introduced—

S.F. No. 860: A bill for an act relating to retirement; providing coverage for unclassified managerial employees in temporary, acting, or interim positions;

providing default plan for employee selection; providing one time vesting change for state university employee; providing for retroactive effect of 1990 law; adding conforming language to clarify eligibility between plans; relating to the individual retirement account plan; providing new eligibility period; providing for refunding of amounts forfeited; providing coverage for certain part-time employees; providing for repayment of missed contributions; providing for administrative expenses; providing for contributions during period of sabbatical leave; relating to the supplemental retirement plan; providing conforming language for previous oversight of eligible members; relating to retirement plan for technical college employees; providing investment option under individual retirement account plan; relating to marriage dissolutions; providing alternate method of retirement asset distribution for individual retirement account plan; amending Minnesota Statutes 1992, sections 352D.02, subdivision 1a, and by adding a subdivision; 354.05, subdivision 2a; 354B.01, subdivision 1, and by adding a subdivision; 354B.015; 354B.02, subdivisions 1, 2, 3a, and by adding a subdivision; 354B.04, by adding a subdivision; 354B.05, subdivision 1, and by adding a subdivision; 356.24, subdivision 1; and 518.58, subdivision 4; Laws 1990, chapter 570, article 10, section 7; proposing coding for new law in Minnesota Statutes, chapter 354B; repealing Minnesota Statutes 1992, section 354B.02, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Sams, Bertram, Stevens and Morse introduced—

S.F. No. 861: A bill for an act relating to the agricultural finance authority; authorizing direct loans and participations; increasing the dollar limit; amending Minnesota Statutes 1992, sections 41B.02, by adding a subdivision; and 41B.043.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Price, Solon, Chandler, Chmielewski and Belanger introduced—

S.F. No. 862: A bill for an act relating to motor vehicles; requiring licensing of certain persons engaged in commercial practices related to new motor vehicles; providing for service of process for certain alleged violations; providing civil penalty; amending Minnesota Statutes 1992, section 168.27, subdivision 2, and by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Murphy; Langseth; Moe, R.D.; Luther and Ms. Lesewski introduced—

S.F. No. 863: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Mondale, Chmielewski and Ms. Anderson introduced—

S.F. No. 864: A bill for an act relating to companion animals; establishing a low-cost spaying and neutering program; imposing a tax on wholesale sales of dog and cat food; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346; proposing coding for new law as Minnesota Statutes, chapter 297E.

Referred to the Committee on Veterans and General Legislation.

Ms. Pappas, Mr. Pogemiller, Mses. Krentz, Reichgott and Ranum introduced—

S.F. No. 865: A bill for an act relating to education; appropriating money for alternative licensure of minority teachers in early childhood or parent education.

Referred to the Committee on Education.

Ms. Pappas, Mr. Pogemiller, Mses. Krentz, Reichgott and Ranum introduced—

S.F. No. 866: A bill for an act relating to education; establishing an early childhood and parent educators of color program; appropriating money.

Referred to the Committee on Education.

Messrs. Riveness, Chandler, Metzen and Ms. Berglin introduced—

S.F. No. 867: A bill for an act relating to motor vehicles; increasing penalty for fraudulently allowing use or possession of certificate of title; establishing automobile theft prevention program and creating board; increasing penalty for falsely reporting crime; amending Minnesota Statutes 1992, sections 168A.30; and 609.505; proposing coding for new law in Minnesota Statutes, chapter 168A.

Referred to the Committee on Crime Prevention.

Ms. Kiscaden and Mr. Samuelson introduced—

S.F. No. 868: A bill for an act relating to human services; adding conditions on availability of funds; changing conditions on adoption assistance agreement; changing reimbursement of costs; determining program funding; amending Minnesota Statutes 1992, sections 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, and by adding a subdivision.

Referred to the Committee on Family Services.

Messrs. Lessard, Frederickson, Riveness, Finn and Price introduced—

S.F. No. 869: A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires in forest areas; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; 88.22; and 88.76; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.01,

subdivision 23; 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11; and Minnesota Rules, parts 7005.0705; 7005.0715; 7005.0725; 7005.0735; and 7005.0745.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard, Solon, Mrs. Benson, J.E.; Ms. Olson and Mrs. Pariseau introduced—

S.F. No. 870: A bill for an act relating to solid waste; requiring the commissioner of revenue to separately account for revenue from sales taxes on solid waste collection services; appropriating money; amending Minnesota Statutes 1992, section 297A.45, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 871: A bill for an act relating to retirement; allowing certain elected local government officials to elect to participate in the public employees defined contribution plan.

Referred to the Committee on Governmental Operations and Reform.

Mr. Lessard introduced—

S.F. No. 872: A bill for an act relating to game and fish; abolishing the nonresident bear guide license; repealing Minnesota Statutes 1992, section 97A.475, subdivision 17.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard and Stumpf introduced—

S.F. No. 873: A bill for an act relating to game and fish; requiring an angling license to transport fish taken in Canada; amending Minnesota Statutes 1992, section 97A.531.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard and Johnson, D.J. introduced—

S.F. No. 874: A bill for an act relating to the city of Floodwood and the towns of Floodwood, Van Buren, Halden, Cedar Valley, Ness, Arrowhead, Fine Lakes, and Prairie Lake, and unorganized territory 52-21; authorizing establishment of a joint ambulance district and imposition of a tax to finance the district.

Referred to the Committee on Metropolitan and Local Government.

Mr. Morse, Ms. Kiscaden, Mr. Murphy and Ms. Pappas introduced—

S.F. No. 875: A bill for an act relating to transportation; requiring a comprehensive second-phase study of high-speed rail; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation and Public Transit.

Messrs. Lessard, Stumpf and Mrs. Pariseau introduced—

S.F. No. 876: A bill for an act relating to the environment; conditioning the use of state funds by the attorney general for investigation of environmental violations; allowing courts to dismiss proceedings against first-time violators of certain environmental provisions after a successful probationary period is completed; amending Minnesota Statutes 1992, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 8.

Referred to the Committee on Environment and Natural Resources.

Ms. Krentz, Messrs. Murphy and Chandler introduced—

S.F. No. 877: A bill for an act relating to transportation; placing a moratorium on the development of a bridge over the St. Croix river at Oak Park Heights; creating a study commission; appropriating money.

Referred to the Committee on Transportation and Public Transit.

Messrs. Stumpf, Morse and Merriam introduced—

S.F. No. 878: A bill for an act relating to game and fish; allowing the taking of two deer in designated counties; amending Minnesota Statutes 1992, section 97B.301, subdivisions 2, 4, and by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Dille and Murphy introduced—

S.F. No. 879: A bill for an act relating to agriculture; providing for surcharges on registered pesticides; amending Minnesota Statutes 1992, section 18E.03, subdivision 5.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse, Ms. Anderson and Mr. Merriam introduced—

S.F. No. 880: A bill for an act relating to the environment; changing methods for assessing and collecting hazardous waste administration fees; providing for rulemaking; amending Minnesota Statutes 1992, section 116.12.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin and Mr. Benson, D.D. introduced—

S.F. No. 881: A bill for an act relating to health care cost containment; increasing the fine for failure to use a child passenger restraint system or seat belt; making failure to wear a seat belt a primary offense; increasing the tax on cigarettes; crediting a portion of the tax to a special account; prohibiting self-service of tobacco under certain circumstances; mandating a study of the required reporting of prenatal exposure to controlled substances; amending Minnesota Statutes 1992, sections 169.685, subdivision 5; 169.686, subdivision 1; 297.02, subdivision 1; 297.03, subdivision 5; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Transportation and Public Transit.



Messrs. Janezich and Johnson, D.J. introduced—

S.F. No. 882: A bill for an act relating to health; providing a salary adjustment for employees of intermediate care facilities for persons with mental retardation or related conditions; modifying reimbursement procedures for facility costs resulting from collective bargaining agreements; amending Minnesota Statutes 1992, section 256B.501, by adding subdivisions.

Referred to the Committee on Health Care.

Messrs. Chandler, Luther, Mses. Hanson, Olson and Mr. Laidig introduced—

S.F. No. 883: A bill for an act relating to waters; inspection of watercraft for exotic harmful species; closing of access points; gasoline tax distribution; permit fee for aquatic vegetation control; authorizing civil penalties; appropriating money; amending Minnesota Statutes 1992, sections 18.317, subdivision 3a, and by adding a subdivision; 84.968, subdivision 1; and 296.421, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapter 84.

Referred to the Committee on Environment and Natural Resources.

Ms. Ranum and Mr. McGowan introduced—

S.F. No. 884: A bill for an act relating to sentencing; regulating the awarding of jail credit to certain offenders; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Messrs. McGowan, Belanger and Chmielewski introduced—

S.F. No. 885: A bill for an act relating to traffic regulations; requiring operating procedures for hand-held traffic radar; amending Minnesota Statutes 1992, section 169.14, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Finn, Chandler, Laidig, Frederickson and Lessard introduced—

S.F. No. 886: A bill for an act relating to natural resources; regulating timber sales; increasing the value of sales requiring executive council approval and maximum lot value on auction sales; permitting the modification of timber permits damaged by natural cause; amending Minnesota Statutes 1992, section 90.031, subdivision 4; 90.041, by adding a subdivision; 90.101, subdivision 1; 90.121; and 90.201, by adding subdivisions.

Referred to the Committee on Environment and Natural Resources.

Mses. Pappas and Ranum introduced—

S.F. No. 887: A bill for an act relating to education; encouraging school districts to employ people of color or women as school administrators; providing a reimbursement; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Mses. Pappas, Anderson, Ranum and Mr. Kelly introduced—

S.F. No. 888: A bill for an act relating to forfeiture; authorizing cities to enact certain forfeiture ordinances; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Messrs. Johnson, D.J.; Janezich; Solon and Lessard introduced—

S.F. No. 889: A bill for an act relating to taxation; sales and use; providing an exemption to counties for certain capital improvement projects; appropriating money; amending Minnesota Statutes 1992, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Ms. Hanson and Mr. Berg introduced—

S.F. No. 890: A bill for an act relating to wetlands; clarifying an exemption for aquacultural activities; amending Minnesota Statutes 1992, section 103G.2241.

Referred to the Committee on Environment and Natural Resources.

Mr. Kroening, Ms. Anderson, Messrs. Johnson, D.J. and Novak introduced—

S.F. No. 891: A bill for an act relating to labor; requiring arbitration in certain circumstances; establishing procedures; providing penalties; amending Minnesota Statutes 1992, sections 179.06, by adding a subdivision; and 179A.16, subdivision 3, and by adding a subdivision.

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

Ms. Piper, Messrs. Johnson, D.E.; Hottinger; Sams and Finn introduced—

S.F. No. 892: A bill for an act relating to occupations and professions; requiring radiologic technologists to be licensed by the state; creating a radiologic technology board of examiners; adopting licensure requirements; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 214.01, subdivision 2; and 214.04, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 148D.

Referred to the Committee on Health Care.

Ms. Hanson, Mr. Kroening, Mrs. Adkins and Mr. Dille introduced—

S.F. No. 893: A bill for an act relating to veterans; appropriating money for the nurse statue.

Referred to the Committee on Veterans and General Legislation.

Mr. Dille introduced—

S.F. No. 894: A bill for an act relating to agriculture; imposing licensing requirements for general merchandise storage warehouses; providing bond

claim procedures; amending Minnesota Statutes 1992, sections 231.01, by adding a subdivision; 231.11; 231.12; 231.13; 231.14; 231.17; and 231.18; repealing Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33.

Referred to the Committee on Agriculture and Rural Development.

Mr. Dille introduced—

S.F. No. 895: A bill for an act relating to agriculture; changing the apiary law; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.54; 19.55; 19.56; 19.58, subdivision 1; 19.59; 19.62; 19.64, subdivisions 1 and 4a; and 19.65; repealing Minnesota Statutes 1992, section 19.64, subdivisions 2, 3, and 4.

Referred to the Committee on Agriculture and Rural Development.

Mr. Stevens and Mrs. Adkins introduced—

S.F. No. 896: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Sherburne county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Metzen, Solon and Samuelson introduced—

S.F. No. 897: A bill for an act relating to insurance; no-fault auto; regulating priorities of coverage for motor vehicles used in the for-hire transportation of passengers; amending Minnesota Statutes 1992, section 65B.47, subdivision 1a.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Samuelson, Ms. Berglin, Messrs. Sams and Benson, D.D. introduced—

S.F. No. 898: A bill for an act relating to medical assistance; requiring the commissioner of human services to contract for a claims adjudication system for pharmacy providers.

Referred to the Committee on Health Care.

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

S.F. No. 899: A bill for an act relating to agriculture; providing for regulation of agricultural aboveground storage tanks by the department of agriculture; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

#### MEMBERS EXCUSED

Ms. Berglin, Messrs. Belanger, Luther, Johnson, D.E.; Moe, R.D. and Spear were excused from the Session of today.

**ADJOURNMENT**

Ms. Flynn moved that the Senate do now adjourn until 10:30 a.m., Monday, March 15, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-SECOND DAY

St. Paul, Minnesota, Monday, March 15, 1993

The Senate met at 10:30 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Verda L. Aegerter.

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

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 10, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 119.

Warmest regards,  
Arne H. Carlson, Governor

March 11, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
119		5	2:03 p.m. March 10	March 11

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. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; establishing duties of health care providers for the provision of life-sustaining health care; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 145B; proposing coding for new law as Minnesota Statutes, chapter 145C; repealing Minnesota Statutes 1992, section 145B.10.

Senate File No. 40 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 11, 1993

Mr. Merriam moved that S.F. No. 40 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. 341, 421 and 522.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 11, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 341: A bill for an act relating to business corporations; making various technical changes; amending Minnesota Statutes 1992, sections 302A.011, subdivisions 26, 38, 53, and by adding a subdivision; 302A.105; 302A.111, subdivisions 3 and 4; 302A.115, subdivision 1; 302A.117, subdivision 1; 302A.123, subdivision 3; 302A.133; 302A.135, subdivisions 1 and 3; 302A.137; 302A.153; 302A.171, subdivision 2; 302A.231, subdivision 3; 302A.233; 302A.237; 302A.241, subdivision 1; 302A.255, subdivision 2; 302A.401, subdivisions 1 and 3; 302A.402, subdivisions 1, 2, and by adding a subdivision; 302A.403, subdivisions 2 and 4; 302A.413, subdivisions 4 and 9; 302A.423, subdivision 2; 302A.435, subdivisions 1 and 3; 302A.437, subdivision 2; 302A.447, subdivisions 2 and 3; 302A.449, subdivision 1; 302A.461, subdivision 4; 302A.463; 302A.471, subdivision 3; 302A.473, subdivisions 4 and 7; 302A.501, subdivision 1; 302A.521, subdivision 6; 302A.551, subdivision 1; 302A.553, subdivision 1; 302A.559, subdivision 1; 302A.613, subdivisions 2 and 3; 302A.621, subdivision 6; 302A.641, subdivision 1; 302A.671, subdivision 3; 302A.673, subdivisions 1 and 3; 302A.711, subdivisions 1 and 2; and 302A.901, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 265, now on General Orders.

H.F. No. 421: A bill for an act relating to state parks; authorizing an addition to Charles A. Lindbergh state park.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 522: A bill for an act relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

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

### 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. 264. The motion prevailed.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 78: A bill for an act relating to local government aids; providing for calculation and distribution of state aids to cities; amending Minnesota Statutes 1992, sections 273.1398, by adding a subdivision; 477A.011, subdivisions 1a, 20, and by adding subdivisions; 477A.013, by adding subdivisions; and 477A.03, subdivision 1; repealing Minnesota Statutes 1992, sections 477A.011, subdivisions 1b, 3a, 15, 16, 17, 18, 22, 23, 25, and 26; and 477A.013, subdivisions 2, 3, and 5.

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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 640: A bill for an act relating to the city of St. Paul; allowing the city to make special assessments against certain benefited property.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 250: A bill for an act relating to cities; limiting the service of charter commission members; fixing procedures for charter amendments; amending Minnesota Statutes 1992, sections 410.05, subdivision 2; and 410.12, subdivision 3.

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

Page 1, line 15, delete "ten years" and insert "two terms" and before the period, insert "except to complete an unexpired term before serving two full terms"

Page 2, line 36, before "voters" insert "qualified registered"

Page 3, line 8, after "qualified" insert "registered"

Page 3, after line 18, insert:

"Sec. 3. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 128: A bill for an act relating to highways; designating the B. E. Grottum memorial highway in Jackson county; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

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

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1992, section 161.14, is amended by adding a subdivision to read:

*Subd. 28. [WALLY NELSON HIGHWAY.] Legislative route No. 330, as described in section 161.115, is named and designated "Wally Nelson Highway." The commissioner shall adopt a suitable marking design to mark this highway and shall erect appropriate signs."*



Amend the title as follows:

Page 1, line 3, after "county" insert "and the Wally Nelson highway"

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

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

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

S.F. No. 578: A bill for an act relating to commerce; unclaimed property; regulating certain notices; amending Minnesota Statutes 1992, section 345.42, subdivisions 2 and 3.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 345.41, is amended to read:

345.41 [REPORT OF ABANDONED PROPERTY.]

(a) Every person holding funds or other property, tangible or intangible, presumed abandoned under sections 345.31 to 345.60 shall report annually to the commissioner with respect to the property as hereinafter provided.

(b) The report shall be verified and shall include:

(1) except with respect to traveler's checks and money orders, the name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of any property of the value of \$25 \$100 or more presumed abandoned under sections 345.31 to 345.60;

(2) in case of unclaimed funds of life insurance corporations, the full name of the policyholder, insured or annuitant and that person's last known address according to the life insurance corporation's records;

(3) the nature and identifying number, if any, or description of the property and the amount appearing from the records to be due, except that items of value under \$25 \$100 each may be reported in aggregate;

(4) the date when the property became payable, demandable or returnable, and the date of the last transaction with the owner with respect to the property; and

(5) other information which the commissioner prescribes by rule as necessary for the administration of sections 345.31 to 345.60.

(c) If the person holding property presumed abandoned is a successor to other persons who previously held the property for the owner, or if the holder has changed a name while holding the property, the holder shall file with the report all prior known names and addresses of each holder of the property.

(d) The report shall be filed before November 1 of each year as of June 30 next preceding, but the report of life insurance corporations shall be filed before October 1 of each year as of December 31 next preceding. The commissioner may postpone the reporting date upon written request by any person required to file a report.

(e) If the holder of property presumed abandoned under sections 345.31 to 345.60 knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, inform the owner of the steps necessary to prevent abandonment from being presumed.

(f) Verification, if made by a partnership, shall be executed by a partner; if made by an unincorporated association or private corporation, by an officer, and if made by a public corporation, by its chief fiscal officer.

(g) Holders of property described in section 345.32 shall not impose any charges against property which is described in section 345.32, clause (a), (b) or (c).

(h) Any person who has possession of property which the person has reason to believe will be reportable in the future as unclaimed property may, with the permission of the commissioner, report and deliver such property prior to the date required for reporting in accordance with this section."

Page 2, line 21, delete "*Sections 1 and 2 are*" and insert "*This act is*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 345.41; and"

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

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

H.F. No. 139: A bill for an act relating to the town of Santiago; authorizing the establishment of a detached banking facility.

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

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

H.F. No. 174: A bill for an act relating to occupations and professions; requiring manufactured home installers to be licensed by the state; amending Minnesota Statutes 1992, sections 326.83, subdivision 4, and by adding subdivisions; and 327.31, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 326.

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

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

S.F. No. 174: A bill for an act relating to commerce; regulating facsimile transmission of unsolicited advertising materials; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

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

S.F. No. 643: A bill for an act relating to medical assistance; increasing asset allowances; removing the 30-month limitation on prohibited transfers for medical assistance eligibility; requiring the commissioner of human services to seek necessary federal law changes or waivers; providing for medical assistance liens on real property; appropriating money; amending Minnesota Statutes 1992, sections 256B.059, subdivisions 3 and 5; and 256B.0595, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 514.

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

Page 1, line 22, delete "\$....." and insert "\$70,740"

Page 2, line 20, delete "\$....." and insert "\$70,740"

Page 4, line 25, strike "any"

Page 4, line 26, strike "transfer" and insert "transfers"

Page 4, line 27, after "the" insert "total"

Page 4, line 28, strike "transfer amount" and insert "value of the resources transferred,"

Page 4, line 35, delete "preexisting penalty"

Page 4, line 36, delete everything before the period and insert "period of ineligibility, the total assets transferred during the ineligibility period shall be combined and a penalty period calculated to begin in the month the first assets were transferred"

Page 5, after line 12, insert:

"Sec. 5. Minnesota Statutes 1992, section 256B.0595, is amended by adding a subdivision to read:

*Subd. 5. [CAUSE OF ACTION.] For a person who receives medical assistance payment for long-term care services, if such person has transferred any property or resources, for less than fair market value, there shall be a rebuttable presumption that the transferee acted with the intent and for the purposes of assisting the transferor to qualify for such services; except that, when the transferor is a resident of a long-term care facility or is receiving that level of care in the community at the time of the transfer, the presumption is not rebuttable. A cause of action exists against the transferee for the cost of long-term care services provided to the transferor, or for the uncompensated amount of the transfer, whichever is less. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256G. There shall be no recovery for medical assistance payment of long-term care services as a result of the transfer of any property or resource that is an exception to the transfer prohibition as listed in subdivisions 3 and 4 or if the transferee is without financial means or that such recovery would work a hardship on the transferee or his or her family. If the transferee does not fully cooperate with the state or county to determine the nature and the*

*extent of the hardship, there shall be a rebuttable presumption that no hardship exists.*

Sec. 6. Minnesota Statutes 1992, section 256B.15, subdivision 2, is amended to read:

Subd. 2. [LIMITATIONS ON CLAIMS.] The claim shall include only the total amount of medical assistance rendered after age 65 or during a period of institutionalization described in subdivision 1 *1a*, clause (b), and the total amount of general assistance medical care rendered, and shall not include interest. Claims that have been allowed but not paid shall bear interest according to section 524.3-806, paragraph (d). A claim against the estate of a surviving spouse who did not receive medical assistance, for medical assistance rendered for the predeceased spouse, is limited to the value of the assets of the estate that were marital property or jointly owned property at any time during the marriage."

Page 6, line 18, delete everything after the comma

Page 6, line 19, delete everything before the second "the"

Page 6, line 30, delete "nursing facility" and insert "medical institution"

Page 7, lines 2 and 4, delete "nursing facility" and insert "medical institution"

Page 7, lines 8 and 9, delete "nursing facility" and insert "medical institution"

Page 11, line 36, before "Sections" insert "Section 1 shall be in effect as to all persons who begin their first continuous period of institutionalization on or after July 1, 1993."

Page 12, line 2, delete "11" and insert "13" and after the period, insert "Section 5 shall apply to transfers for less than fair market value made on or after July 1, 1993."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything before "proposing" and insert "5; 256B.0595, subdivisions 1, 2, and by adding a subdivision; and 256B.15, subdivision 2;"

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 Care, to which was referred

S.F. No. 481: A bill for an act relating to patient rights; providing patients with the option to disclose their presence in a facility; amending Minnesota Statutes 1992, sections 144.651, subdivisions 21 and 26; and 253B.03, subdivisions 3 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 1992, section 144.651, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of this section, "patient" means a person who is admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of that person. "Patient" also means a person who is admitted to a community addictions treatment center for a period of 120 days or less. "Patient" also means a minor who is admitted to a residential program as defined in section 253C.01. For purposes of subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving mental health treatment on an outpatient basis or in a community support program or other community-based program. "Resident" means a person who is admitted to a nonacute care facility including extended care facilities, nursing homes, and boarding care homes for care required because of prolonged mental or physical illness or disability, recovery from injury or disease, or advancing age."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "21" and insert "2, 21,"

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

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

S.F. No. 748: A bill for an act relating to human services; clarifying day training and habilitation transportation exemptions; clarifying that counties may contract with hospitals to provide outpatient mental health services; clarifying the definition of crisis assistance; increasing the allowable duration of unlicensed, single-family respite care; clarifying the definition of related condition and application procedures for family support grants; correcting references to case management and hospital appeals; clarifying eligibility for case management services; clarifying nursing facility rate adjustments; clarifying the calculation and allowing 12-month plans for special needs exceptions; clarifying requirements for health care provider participation; clarifying voluntary spend-down procedures; amending Minnesota Statutes 1992, sections 174.30, subdivision 1; 245.470, subdivision 1; 245.4871, subdivision 9a; 245.4876, subdivision 2; 245.488, subdivision 1; 245A.03, subdivision 2; 252.27, subdivisions 1 and 1a; 252.32, subdivision 1a; 256.045, subdivision 4a; 256.9686, subdivision 6; 256.9695, subdivisions 1 and 3; 256B.056, subdivision 5; 256B.0625, subdivisions 6a, 7, and 19a; 256B.0644; 256B.092, subdivisions 1, 1b, 1g, 7, and 8a; 256B.431, subdivision 10; 256B.48, subdivision 3a; 256B.501, subdivision 8; and 609.115, subdivision 9; repealing Minnesota Statutes 1992, section 256B.0629.

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

Pages 15 to 17, delete sections 15 to 17

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 24, delete everything after the semicolon

Page 1, line 25, delete "7, and 19a;"

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

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

S.F. No. 398: A bill for an act relating to human services; defining MSA equivalent rate and medical assistance room and board rate; determining an individual eligible for group residential housing payment; establishing guidelines for county approval of group residential housing payment for an individual; changing the date of eligibility for a group residential housing payment; providing for licensure of group residential housing; defining agreements between county agencies and providers of group residential housing; eliminating battered women's shelters as group residential housing; creating service payments to group residences; creating exceptions to rates negotiated for group residential housing; amending Minnesota Statutes 1992, sections 256I.01; 256I.02; 256I.03, subdivisions 2 and 3, and by adding subdivisions; 256I.04, subdivisions 1, 2, and 3, and by adding subdivisions; 256I.05, subdivisions 1, 1a, 4, and 8, and by adding a subdivision; and 256I.06.

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 1992, section 256.025, subdivision 1, is amended to read:

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

(b) "Base amount" means the calendar year 1990 county share of county agency expenditures for all of the programs specified in subdivision 2, *except for the programs in clauses (4), (7), and (13). The 1990 base amount for clause (4) shall be reduced by one-seventh for each county, and the 1990 base amount for clause (7) shall be reduced by seven-tenths for each county, and those amounts in total shall be the 1990 base amount for group residential housing in clause (13).*

(c) "County agency expenditure" means the total expenditure or cost incurred by the county of financial responsibility for the benefits and services for each of the programs specified in subdivision 2. The term includes the federal, state, and county share of costs for programs in which there is federal financial participation. For programs in which there is no federal financial participation, the term includes the state and county share of costs. The term excludes county administrative costs, unless otherwise specified.

(d) "Nonfederal share" means the sum of state and county shares of costs of the programs specified in subdivision 2.

(e) The "county share of county agency expenditures growth amount" is the amount by which the county share of county agency expenditures in calendar years 1991 to 2000 has increased over the base amount.

Sec. 2. Minnesota Statutes 1992, section 256.025, subdivision 2, is amended to read:

Subd. 2. [COVERED PROGRAMS AND SERVICES.] The procedures in this section govern payment of county agency expenditures for benefits and services distributed under the following programs:

- (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;
- (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; and
- (13) group residential housing under section 256I.05, subdivision 8, transferred from programs in clauses (4) and (7).

Sec. 3. Minnesota Statutes 1992, section 256D.35, subdivision 3a, is amended to read:

Subd. 3a. [ASSISTANCE UNIT.] "Assistance unit" means the individual applicant or recipient or an eligible applicant or recipient couple who live together.

Sec. 4. Minnesota Statutes 1992, section 256D.44, subdivision 2, is amended to read:

Subd. 2. [STANDARD OF ASSISTANCE FOR SHELTER.] The state standard of assistance for shelter provides for the recipient's shelter costs. The monthly state standard of assistance for shelter must be determined according to paragraphs (a) to (e) (f).

(a) If the an applicant or recipient does not reside with another person or persons, the state standard of assistance is the actual cost for shelter items or \$124, whichever is less.

(b) If the recipient resides with another person, the state standard of assistance is the actual costs for shelter items or \$93, whichever is less. If an applicant or recipient married couple, who live together, does not reside with others, the state standard of assistance is the actual cost for shelter items or \$186, whichever is less.

(c) ~~Actual shelter costs for applicants or recipients are determined by dividing the total monthly shelter costs by the number of persons who share the residence. If an applicant or recipient resides with another person or persons, the state standard of assistance is the actual cost for shelter items or \$93, whichever is less.~~

(d) ~~If an applicant or recipient married couple, who live together, resides with others, the state standard of assistance is the actual cost for shelter items or \$124, whichever is less.~~

(e) ~~Actual shelter costs for applicants or recipients, who reside with others, are determined by dividing the total monthly shelter costs by the number of persons who share the residence.~~

(f) ~~Married couples, living together and receiving MSA on January 1, 1994, and whose eligibility has not been terminated for a full calendar month, are exempt from the standards in paragraphs (b) and (d).~~

Sec. 5. Minnesota Statutes 1992, section 256D.44, subdivision 3, is amended to read:

Subd. 3. [STANDARD OF ASSISTANCE FOR BASIC NEEDS.] The state standard of assistance for basic needs provides for the applicant's or recipient's maintenance needs, other than actual shelter costs. Except as provided in subdivision 4, the monthly state standard of assistance for basic needs is as follows:

(a) ~~For~~ If an applicant or recipient who does not reside with another person or persons, the state standard of assistance is ~~\$305~~ \$371.

(b) ~~For an individual who resides with another person or persons, the state standard of assistance is \$242. If an applicant or recipient married couple who live together, does not reside with others, the state standard of assistance is \$557.~~

(c) ~~If an applicant or recipient resides with another person or persons, the state standard of assistance is \$286.~~

(d) ~~If an applicant or recipient married couple who live together, resides with others, the state standard of assistance is \$371.~~

(e) ~~Married couples, living together and receiving MSA on January 1, 1994, and whose eligibility has not been terminated a full calendar month, are exempt from the standards in paragraphs (b) and (d).~~

Sec. 6. Minnesota Statutes 1992, section 256I.01, is amended to read:

256I.01 [CITATION.]

Sections 256I.01 to 256I.06 shall be cited as the "group residential housing rate act."

Sec. 7. Minnesota Statutes 1992, section 256I.02, is amended to read:

256I.02 [PURPOSE.]

The group residential housing rate act establishes a comprehensive system of rates and payments for persons who reside in a group residence and who meet the eligibility criteria of the general assistance program under sections 256D.01 to 256D.21, or the Minnesota supplemental aid program under sections 256D.33 to 256D.54 under section 256I.04, subdivision 1.



Sec. 8. Minnesota Statutes 1992, section 256I.03, subdivision 2, is amended to read:

Subd. 2. [GROUP RESIDENTIAL HOUSING RATE.] "Group residential housing rate" means a monthly rate set for shelter, fuel, food, utilities, household supplies, and other costs necessary to provide room and board for *eligible individuals eligible for general assistance under sections 256D.01 to 256D.21 or supplemental aid under sections 256D.33 to 256D.54.* Group residential housing rate does not include payments for foster care for children who are not blind, child welfare services, medical care, dental care, hospitalization, nursing care, drugs or medical supplies, program costs, or other social services. ~~However, the group residential housing rate for recipients living in residences in section 256I.05, subdivision 2, paragraph (e), clause (2), includes all items covered by that residence's medical assistance per diem rate.~~ The rate is negotiated by the county agency or the state according to the provisions of sections 256I.01 to 256I.06.

Sec. 9. Minnesota Statutes 1992, section 256I.03, subdivision 3, is amended to read:

Subd. 3. [GROUP RESIDENTIAL HOUSING.] "Group residential housing" means a group living situation that provides at a minimum room and board to unrelated persons who meet the eligibility requirements of section 256I.04. This definition includes foster care settings for a single adult. To receive payment for a group residence rate, the residence must be licensed by either the department of health or human services and must comply with applicable laws and rules establishing standards for health, safety, and licensure. ~~Secure crisis shelters for battered women and their children designated by the department of corrections are not group residences under this chapter meet the requirements under section 256I.04, subdivision 2a.~~

Sec. 10. Minnesota Statutes 1992, section 256I.03, is amended by adding a subdivision to read:

Subd. 5. [MSA EQUIVALENT RATE.] "*MSA equivalent rate*" means an amount equal to the total of:

(1) *the combined maximum shelter and basic needs standards for MSA recipients living alone specified in section 256D.44, subdivisions 2, paragraph (a); and 3, paragraph (a); plus*

(2) *for persons who are not eligible to receive food stamps due to living arrangement, the maximum allotment authorized by the federal Food Stamp Program for a single individual which is in effect on the first day of July each year; less*

(3) *the personal needs allowance authorized for medical assistance recipients under section 256B.35.*

*The MSA equivalent rate is to be adjusted on the first day of July each year.*

Sec. 11. Minnesota Statutes 1992, section 256I.03, is amended by adding a subdivision to read:

Subd. 6. [MEDICAL ASSISTANCE ROOM AND BOARD RATE.] "*Medical assistance room and board rate*" means an amount equal to the medical assistance income standard for a single individual living alone in the community less the medical assistance personal needs allowance under section 256B.35. *For the purposes of this section, the amount of the group*

*residential housing rate that exceeds the medical assistance room and board rate is considered a remedial care cost. The medical assistance room and board rate is to be adjusted on the first day of January of each year.*

Sec. 12. Minnesota Statutes 1992, section 256I.04, subdivision 1, is amended to read:

Subdivision 1. [*INDIVIDUAL ELIGIBILITY REQUIREMENTS.*] ~~To be eligible for a group residential housing payment, the individual must be eligible for general assistance under sections 256D.01 to 256D.21, or supplemental aid under sections 256D.33 to 256D.54. If the individual is in the group residence due to illness or incapacity, the individual must be in the residence under a plan developed or approved by the county agency. Residence in other group residences must be approved by the county agency. An individual is eligible for and entitled to a group residential housing payment to be made on the individual's behalf if the county agency has approved the individual's residence in a group residential housing setting and the individual meets the requirements in paragraph (a) or (b).~~

*(a) The individual is aged, blind, or 18 years of age and disabled as determined under the criteria used by the Title II program of the Social Security Act, and meets the resource restrictions and standards of the supplemental security income program, and the individual's countable income after deducting the exclusions and disregards of the SSI program and the medical assistance personal needs allowance under section 256B.35 is less than the monthly rate specified in the county agency's agreement with the provider of group residential housing in which the individual resides.*

*(b) The individual's resources are less than the standards specified by section 256D.08, and the individual's countable income as determined under sections 256D.01 to 256D.21, less the medical assistance personal needs allowance under section 256B.35 is less than the monthly rate specified in the county agency's agreement with the provider of group residential housing in which the individual resides.*

Sec. 13. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 1a. [COUNTY APPROVAL.] A county agency may not approve a group residential housing payment for an individual in any setting with a rate in excess of the MSA equivalent rate for more than 30 days in a calendar year unless the county agency has developed or approved a plan for the individual which specifies that:*

*(1) the individual has an illness or incapacity which prevents the person from living independently in the community; and*

*(2) the individual's illness or incapacity requires the services which are available in the group residence.*

Sec. 14. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 1b. [OPTIONAL STATE SUPPLEMENTS TO SSI.] Group residential housing payments made on behalf of persons eligible under subdivision 1, paragraph (a), are optional state supplements to the SSI program.*

Sec. 15. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 1c. [INTERIM ASSISTANCE.] Group residential housing payments made on behalf of persons eligible under subdivision 1, paragraph (b), are considered interim assistance payments to applicants for the federal SSI program.*

Sec. 16. Minnesota Statutes 1992, section 256I.04, subdivision 2, is amended to read:

*Subd. 2. [DATE OF ELIGIBILITY.] For a person living in a group residence who is eligible for general assistance under sections 256D.01 to 256D.21, payment shall be made from the date a signed application form is received by the county agency or the date the applicant meets all eligibility factors, whichever is later. For a person living in a group residence who is eligible for supplemental aid under sections 256D.33 to 256D.54, payment shall be made from the first of the month in which an approved application is received by a county agency. An individual who has met the eligibility requirements of subdivision 1, shall have a group residential housing payment made on the individual's behalf from the first day of the month in which a signed application form is received by a county agency, or the first day of the month in which all eligibility factors have been met, whichever is later.*

Sec. 17. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 2a. [LICENSE REQUIRED.] A county agency may not enter into an agreement with an establishment to provide group residential housing unless:*

*(1) an establishment licensed by the department of health as a hotel and restaurant; a board and lodging establishment; a residential care home; a boarding care home before March 1, 1985; a supervised living facility, and the service provider for residents of the facility licensed under chapter 245A; or*

*(2) the service provider for the residents is licensed under chapter 245A.*

*The requirements under clauses (1) and (2) do not apply to establishments exempt from state licensure because they are located on Indian reservations and subject to tribal health and safety requirements.*

Sec. 18. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 2b. [GROUP RESIDENTIAL HOUSING AGREEMENTS.] Agreements between county agencies and providers of group residential housing must be in writing and must specify the name and address under which the establishment subject to the agreement does business and under which the establishment, or service provider if different from the group residential housing establishment, is licensed by the department of health or the department of human services; the address of the location or locations at which group residential housing is provided under this agreement; the per diem and monthly rates that are to be paid from group residential housing funds for each eligible resident at each location; the number of beds at each location which are subject to the group residential housing agreement; and a statement that the agreement is subject to the provisions of sections 256I.01 to 256I.06 and subject to any changes to those sections.*

Sec. 19. Minnesota Statutes 1992, section 256I.04, is amended by adding a subdivision to read:

*Subd. 2c. [CRISIS SHELTERS.] Secure crisis shelters for battered women and their children designated by the Minnesota department of corrections are not group residences under this chapter.*

Sec. 20. Minnesota Statutes 1992, section 256I.04, subdivision 3, is amended to read:

Subd. 3. [MORATORIUM ON THE DEVELOPMENT OF GROUP RESIDENTIAL HOUSING BEDS.] (a) County agencies shall not enter into agreements for new general assistance or Minnesota supplemental aid group residence residential housing beds except: (1) for adult foster homes licensed by the commissioner of human services under Minnesota Rules, parts 9555.5105 to 9555.6265; (2) for facilities licensed under Minnesota Rules, parts 9525.0215 to 9525.0355, provided the facility is needed to meet the census reduction targets for persons with mental retardation or related conditions at regional treatment centers; (3) to ensure compliance with the federal Omnibus Budget Reconciliation Act alternative disposition plan requirements for inappropriately placed persons with mental retardation or related conditions or mental illness; or (4) up to 80 beds in a single, specialized facility located in Hennepin county that will provide housing for chronic inebriates who are repetitive users of detoxification centers and are refused placement in emergency shelters because of their state of intoxication. Planning for the specialized facility must have been initiated before July 1, 1991, in anticipation of receiving a grant from the housing finance agency under section 462A.05, subdivision 20a, paragraph (b).

*(b) A county may replace beds if a facility in the county closes or is downsized.*

Sec. 21. Minnesota Statutes 1992, section 256I.05, subdivision 1, is amended to read:

Subdivision 1. [MONTHLY MAXIMUM RATES.] Monthly payments for room and board rates negotiated by a county agency, or set by the department under rules developed pursuant to subdivision 6, on behalf of for a recipient living in a group residence residential housing must be paid at the rates in effect on June 30, 1991, not to exceed \$966.37 for a group residence that entered into an initial group residential housing agreement with a county agency before June 1, 1989 the MSA equivalent rate specified under section 256I.03, subdivision 5, except as provided in section 256I.06, subdivision 3f, for waivers under title XIX of the Social Security Act. The county agency may at any time negotiate a lower payment room and board rate than the rate that would otherwise be paid under this subdivision.

Sec. 22. Minnesota Statutes 1992, section 256I.05, subdivision 1a, is amended to read:

Subd. 1a. [LOWER MAXIMUM SERVICE RATES.] (a) The maximum monthly rate for a general assistance or Minnesota supplemental aid group residence that enters into an initial group residential housing agreement with a county agency on or after June 1, 1989, may not exceed 90 percent of the maximum rate established under subdivision 1. This is effective until June 30, 1993, or until the statewide system authorized under subdivision 6 is established, whichever occurs first.

*(b) The maximum monthly rate for a general assistance or Minnesota supplemental aid group residence that is neither licensed by nor registered*

with the Minnesota department of health, or licensed by the department of human services, to provide programs or services in addition to room and board is an amount equal to the total of:

(1) the combined maximum shelter and basic needs standards for Minnesota supplemental aid recipients living alone specified in section 256D.44, subdivisions 2, paragraph (a), and 3, paragraph (a); plus

(2) for persons who are not eligible to receive food stamps due to living arrangements, the maximum allotment authorized by the federal food stamp program for a single individual which is in effect on the first day of July each year; less

(3) the personal needs allowance authorized for medical assistance recipients under section 256B.35. In addition to the room and board rate specified in subdivision 1, the county agency may negotiate a payment not to exceed \$426.37 for other services necessary to provide room and board provided by the group residence if the residence is licensed by or registered by the department of health, or licensed by the department of human services to provide services in addition to room and board, and if the recipient of services is not also currently receiving services under a home- and community-based waiver under title XIX of the Social Security Act or under Minnesota Rules, parts 9535.2000 to 9535.3000, unless the funds available to a current resident of group residential housing who is a recipient of home- and community-based waiver services under title XIX of the Social Security Act are insufficient to cover current residential supplemental room and board payments. Then, the current recipient is eligible to receive supplemental room and board payments not to exceed \$426.37 per month per person under the section to cover current costs that exceed available funds if:

(1) the costs in excess of the available funds are not covered by the home- and community-based waiver under title XIX of the Social Security Act; or

(2) the recipient is currently receiving all funds available under the home- and community-based waiver under title XIX of the Social Security Act. The registration and licensure requirement does not apply to establishments which are exempt from state licensure because they are located on Indian reservations and for which the tribe has prescribed health and safety requirements. Service payments under this section may be prohibited under rules to prevent the supplanting of federal funds with state funds. The commissioner shall pursue the feasibility of obtaining a home- and community-based waiver services under title XIX of the Social Security Act for persons who are not eligible for an existing home- and community-based waiver due to a primary diagnosis of mental illness or chemical dependency and shall apply for a waiver if it is determined to be cost effective.

Sec. 23. Minnesota Statutes 1992, section 256I.05, is amended by adding a subdivision to read:

*Subd. 1c. [RATE INCREASES.] A county agency may not increase the rates negotiated for group residential housing above those in effect on June 30, 1991, except:*

*(a) A county may increase the rates for group residential housing settings to the MSA equivalent rate for those settings whose current rate is below the MSA equivalent rate.*

(b) A county agency may increase the rates for residents in adult foster care whose difficulty of care has increased. The total group residential housing rate for these residents must not exceed the maximum rate specified in subdivisions 1 and 1a. County agencies must not include nor increase group residential housing difficulty of care rates for adults in foster care whose difficulty of care is funded by home- and community-based waiver programs under title XIX of the Social Security Act.

(c) The room and board rates for settings whose rates are equal to the MSA equivalent rate, will be increased each year when the MSA equivalent rate is adjusted for SSI cost-of-living increases.

(d) When a group residential housing rate is used to pay for an individual's room and board, or other costs necessary to provide room and board, the rate payable to the residence must continue for up to 18 calendar days per incident, not to exceed 60 days in a calendar year, if the absence or absences have received the prior approval of the county agency's social service staff. Prior approval is not required for emergency absences due to illness or injury.

(e) For facilities meeting substantial change criteria within the prior year. Substantial change criteria exists if the group residential housing experiences a 25 percent increase or decrease in the total number of its beds, if the net cost of capital additions or improvements is in excess of 15 percent of the current market value of the residence, or if the residence physically moves or changes its licensure resulting in an increase in operation and property costs.

Sec. 24. Minnesota Statutes 1992, section 256I.05, subdivision 8, is amended to read:

Subd. 8. [STATE PARTICIPATION.] For a resident of a group residence who is eligible for general assistance under sections 256D.01 to 256D.21 section 256I.04, subdivision 1, paragraph (b), state participation in the group residential housing rate payment is determined according to section 256D.03, subdivision 2. For a resident of a group residence who is eligible under sections 256D.33 to 256D.54 section 256I.04, subdivision 1, paragraph (a), state participation in the group residential housing rate is determined according to section 256D.36.

Sec. 25. Minnesota Statutes 1992, section 256I.06, is amended to read:

256I.06 [PAYMENT METHODS.]

When a group residential housing rate is used to pay the room and board costs of a person eligible under sections 256D.01 to 256D.21, the Monthly payment may Subdivision 1. [MONTHLY PAYMENTS.] Monthly payments made on an individual's behalf for group residential housing must be issued as a voucher or vendor payment. When a group residential housing rate is used to pay the room and board costs of a person eligible under sections 256D.33 to 256D.54, payments must be made to the recipient. If a recipient is not able to manage the recipient's finances, a representative payee must be appointed.

Subd. 2. [TIME OF PAYMENT.] A county agency may make payments to a group residence in advance for an individual whose stay in the group residence is expected to last beyond the calendar month for which the payment is made and who does not expect to receive countable earned income during the month for which the payment is made. Group residential housing payments made by a county agency on behalf of an individual who is not expected to remain in the group residence beyond the month for which

payment is made must be made subsequent to the individual's departure from the group residence. Group residential housing payments made by a county agency on behalf of an individual with earned income must be made subsequent to receipt of a monthly household report form.

*Subd. 3. [FILING OF APPLICATION.]* The county agency must immediately provide an application form to any person requesting group residential housing. Application for group residential housing must be in writing on a form prescribed by the commissioner. The county agency must determine an applicant's eligibility for group residential housing as soon as the required verifications are received by the county agency and within 30 days after a signed application is received by the county agency for the aged or blind or within 60 days for the disabled.

*Subd. 3a. [VERIFICATION.]* The county agency must request, and applicants and recipients must provide and verify, all information necessary to determine initial and continuing eligibility and group residential housing payment amounts. If necessary, the county agency shall assist the applicant or recipient in obtaining verifications. If the applicant or recipient refuses or fails without good cause to provide the information or verification, the county agency shall deny or terminate eligibility for group residential housing payments.

*Subd. 3b. [REDETERMINATION OF ELIGIBILITY.]* The eligibility of each recipient must be redetermined at least once every 12 months.

*Subd. 3c. [REPORTS.]* Recipients must report changes in circumstances that affect eligibility or group residential housing payment amounts within ten days of the change. Recipients with earned income must complete a monthly household report form. If the report form is not received before the end of the month in which it is due, the county agency must terminate eligibility for group residential housing payments. The termination shall be effective on the first day of the month following the month in which the report was due. If a complete report is received within the month eligibility was terminated, the individual is considered to have continued an application for group residential housing payment effective the first day of the month the eligibility was terminated.

*Subd. 3d. [DETERMINATION OF RATES.]* The county in which a group residence is located will determine the amount of group residential housing rate to be paid on behalf of an individual in the group residence regardless of the individual's county of financial responsibility.

*Subd. 3e. [AMOUNT OF GROUP RESIDENTIAL HOUSING PAYMENT.]* The amount of a group residential housing payment to be made on behalf of an eligible individual is determined by subtracting the individual's countable income under section 2561.04, subdivision 1, for a whole calendar month from the group residential housing charge for that same month. The group residential housing charge is determined by multiplying the group residential housing rate times the period of time the individual was a resident or temporarily absent under section 2561.05, subdivision 3a.

*Subd. 3f. [HOME- AND COMMUNITY-BASED WAIVER.]* Until federal waiver approval and to the extent that room and board costs in addition to the MSA equivalent rate are not approved for inclusion in each waiver, payments for room and board as defined in 2561.05, subdivision 10, in addition to the MSA equivalent rate shall be available up to \$426.37 per person per month

for counties to negotiate agreement with group residential housing establishments.

Sec. 26. [REPEALER.]

(a) *Minnesota Statutes 1992, sections 256I.03, subdivision 4, 256I.05, subdivisions 4 and 9, and 256I.051 are repealed.*

(b) *Minnesota Statutes 1992, section 256I.05, subdivision 10, is repealed.*

Sec. 27. [EFFECTIVE DATE.]

*Sections 1 to 22, 24, and 25 are effective January 1, 1994, contingent upon federal recognition that group residential housing payments qualify as optional state supplement payments to the SSI program under title XVI of the Social Security Act and confer categorical eligibility for medical assistance under the Minnesota state plan. Implementation of section 11 is contingent on approval by the Health Care Financing Administration of the definition and procedure contained in that section, or when federal approval of all costs described in Minnesota Statutes, section 256I.05, subdivision 10, which are in addition to the MSA equivalent rate for waiver programs is obtained, whichever is later. Section 26, paragraph (b), is effective July 1, 1994."*

Delete the title and insert:

"A bill for an act relating to human services; defining MSA equivalent rate and medical assistance room and board rate; determining an individual eligible for group residential housing payment; establishing guidelines for county approval of group residential housing payment for an individual; changing the date of eligibility for a group residential housing payment; providing for licensure of group residential housing; defining agreements between county agencies and providers of group residential housing; eliminating battered women's shelters as group residential housing; creating service payments to group residences; creating exceptions to rates negotiated for group residential housing; amending Minnesota Statutes 1992, sections 256.025, subdivisions 1 and 2; 256D.35, subdivision 3a; 256D.44, subdivisions 2 and 3; 256I.01; 256I.02; 256I.03, subdivisions 2 and 3, and by adding subdivisions; 256I.04, subdivisions 1, 2, and 3, and by adding subdivisions; 256I.05, subdivisions 1, 1a, and 8, and by adding a subdivision; and 256I.06; repealing Minnesota Statutes 1992, sections 256I.03, subdivision 4; 256I.05, subdivisions 4, 9, and 10; and 256I.051."

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

Mr. B. rtram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 498: A bill for an act relating to agriculture; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, section 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42.

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

Page 1, line 13, after "of" insert "a"

Page 1, line 14, strike "substances" and insert "substance"



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

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

S.F. No. 163: A bill for an act relating to crimes; modifying requirements for the dispensing of controlled substance; amending Minnesota Statutes 1992, sections 152.01, by adding a subdivision; and 152.11.

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

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

S.F. No. 670: A bill for an act relating to telecommunications; extending authority of public utilities commission to approve incentive regulation plans for certain telephone companies; amending Laws 1989, chapter 74; section 27.

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

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

S.F. No. 512: A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes 1992, sections 237.01, subdivision 2, and by adding a subdivision; 237.60, subdivision 3; and 237.68, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, subdivision 7.

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 1992, section 237.01, subdivision 2, is amended to read:

Subd. 2. [TELEPHONE COMPANY.] “Telephone company,” means and applies to any person, firm, association or any corporation, private or municipal, owning or operating any telephone line or telephone exchange for hire, wholly or partly within this state, or furnishing any telephone service to the public.

A “telephone company” does not include a radio common carrier as defined in subdivision 4. A telephone company which also conforms with the definition of a radio common carrier is subject to regulation as a telephone company. However, none of chapter 237 applies to telephone company activities which conform to the definition of a radio common carrier.

*A “telephone company” does not include a telecommunications carrier as defined in subdivision 5, except that a telecommunications carrier is a*

telephone company for the purposes of section 222.36. A telephone company is not subject to section 237.74.

Sec. 2. Minnesota Statutes 1992, section 237.01, is amended by adding a subdivision to read:

*Subd. 5. [TELECOMMUNICATIONS CARRIER.] "Telecommunications carrier" means a person, firm, association, or corporation authorized to furnish telephone service to the public but not authorized to furnish local exchange service. Telecommunications carrier does not include entities that derive more than 50 percent of their revenues from operator services provided to transient locations such as hotels, motels, and hospitals. In addition, telecommunications carrier does not include entities that provide centralized equal access services.*

Sec. 3. [237.035] [TELECOMMUNICATIONS CARRIER EXEMPTION.]

*Telecommunications carriers are not subject to regulation under this chapter, except that telecommunications carriers shall comply with the requirements of section 237.74.*

Sec. 4. [237.74] [REGULATION OF TELECOMMUNICATIONS CARRIERS.]

*Subdivision 1. [FILING REQUIREMENTS.] Every telecommunications carrier shall elect and keep on file with the department either a tariff or a price list for each service on or before the effective date of the tariff or price, containing the rules, rates, and classifications used by it in the conduct of the telephone business, including limitations on liability. The filings are governed by chapter 13. The department shall require each telecommunications carrier to keep open for public inspection at designated offices so much of these rates, tariffs or price lists, and rules as the department considers necessary for public information.*

*Subd. 2. [DISCRIMINATION PROHIBITED; PRACTICES, SERVICES, RATES.] No telecommunications carrier shall offer telecommunications service within the state upon terms or rates that are unreasonably discriminatory. No telecommunications carrier shall unreasonably limit its service offerings to particular geographic areas unless facilities necessary for the service are not available and cannot be made available at reasonable costs. The rates of a telecommunications carrier must be the same in all geographic locations of the state unless for good cause the commission approves different rates. A company that offers long-distance services shall charge uniform rates and charges on all long-distance routes and in all geographic areas in the state where it offers the services. However, a carrier may offer or provide volume or term discounts or may offer or provide unique pricing to certain customers or to certain geographic locations for special promotions, and may pass through any state, municipal, or local taxes in the specific geographic areas from which the taxes originate.*

*Notwithstanding any other provision of this subdivision, a telecommunications carrier may furnish service free or at reduced rates to its officers, agents, or employees in furtherance of their employment.*

*Subd. 3. [SPECIAL PRICING.] Except as prohibited by this section, prices unique to a particular customer or group of customers may be allowed for services when differences in the cost of providing a service or a service*

element justify a different price for a particular customer or group of customers. Individual pricing for services may be allowed when a uniform price should not be required because of market conditions. Unique or individual prices for services or service elements in effect before the effective date of this section are deemed to be lawful under this section.

*Subd. 4. [INVESTIGATIONS.] (a) When the commission or the department believes that an investigation of any matter relating to any telephone service should for any reason be made, it may on its own motion investigate the service or matter upon notice to the carrier. However, telecommunications carriers are not subject to rate or rate of return regulation and neither the commission nor the department may investigate any matter relating to a telecommunications carrier's costs, rates, or rate of return, except the commission and the department may investigate whether a rate is unreasonably discriminatory under subdivision 2.*

*(b) Upon a complaint made against a telecommunications carrier by a telephone company, by another telecommunications carrier, by the governing body of a political subdivision, or by no fewer than five percent or 100, whichever is the lesser number, of the subscribers or spouses of subscribers of the particular telecommunications carrier, that any of the rates, tolls, tariffs or price lists, charges, or schedules is in any respect unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission, after notice to the telecommunications carrier, shall investigate the matters raised by the complaint.*

*(c) If, after making an investigation under paragraph (a) or (b), the commission finds that a significant factual issue raised has not been resolved to its satisfaction, the commission may order that a contested case hearing be conducted under chapter 14 unless the complainant, the telecommunications carrier, and the commission agree that an expedited hearing under section 237.61 is appropriate.*

*(d) In any complaint proceeding authorized under this section, telecommunications carriers shall bear the burden of proof consistent with the allocation of the burden of proof to telephone companies in sections 237.01 to 237.73.*

*(e) A full and complete record must be kept by the commission of all proceedings before it upon any formal investigation or hearing and all testimony received or offered must be taken down by the stenographer appointed by the commission and a transcribed copy of the record furnished to any party to the investigation upon the payment of the expense of furnishing the transcribed copy.*

*If the commission finds by a preponderance of the evidence presented during the complaint proceeding that existing rates, tolls, tariffs or price lists, charges, or schedules are unjustly discriminatory, or that any service is inadequate or cannot be obtained, the commission may issue its order requiring termination of the discrimination or making the service adequate or obtainable.*

*(f) A copy of an order issued under this section must be served upon the person against whom it runs or the person's attorney, and notice of the order must be given to the other parties to the proceedings or their attorneys.*

(g) Any party to a proceeding before the commission or the attorney general may make and perfect an appeal from the order in accordance with chapter 14.

If the court finds from an examination of the record that the commission erroneously rejected evidence that should have been admitted, it shall remand the proceedings to the commission with instructions to receive the evidence rejected and any rebutting evidence and to make new findings and return them to the court for further review. Then the commission, after notice to the parties in interest, shall proceed to rehear the matter in controversy and receive the wrongfully rejected evidence and any rebutting evidence offered and make new findings, as upon the original hearing, and transmit it and the new record properly certified to the court of appeals, when the matter shall be again considered by the court in the same manner as in an original appeal.

(h) When an appeal is taken from any order of the commission under this chapter, the commission shall, without delay, have a certified transcript made of all proceedings, pleadings and files, and testimony taken or offered before it upon which the order was based, showing particularly what, if any, evidence offered was excluded. The transcript must be made and filed with the court administrator of the district court where the appeal is pending.

**Subd. 5. [EXTENSION OF FACILITIES.]** A telecommunications carrier may extend its facilities into or through a statutory or home rule charter city or town of this state for furnishing its services, subject to the regulation of the governing body of the city or town relative to the location of poles and wires and the preservation of the safe and convenient use of streets and alleys by the public. Nothing in this subdivision shall be construed to allow or prohibit facilities bypass of the local exchange telephone company, nor shall it be construed to prohibit the commission from issuing orders concerning facilities bypass of the local exchange telephone company.

**Subd. 6. [TARIFF OR PRICE LIST CHANGES.]** (a) Telecommunications carriers may:

(1) decrease the rate for a service, or make any change in a tariff or price list that results in a decrease in rates, effective without notice to its customers or the commission; and

(2) offer a new service, increase the rate for a service, or change the terms, conditions, rules, and regulations of its service offering effective upon notice to its customers. Subject to subdivisions 2 and 9, a telecommunications carrier may discontinue a service, except that a telecommunications carrier must first obtain prior commission approval before discontinuing service to another telecommunications carrier if end users would be deprived of service because of the discontinuance.

(b) A telecommunications carrier may give notice to its customers by bill inserts, by publication in newspapers of general circulation, or by any other reasonable means.

**Subd. 7. [OCCASIONAL USE.]** A telecommunications carrier shall not be deemed to provide local exchange services within the meaning of sections 237.01 and 237.035 merely because of occasional use of the service by the customer for local exchange service related to the provision of interexchange services.

**Subd. 8. [UNIFORM RULES.]** *Telecommunications carriers are subject to uniform rules pertaining to the conduct of intrastate telephone services by telecommunications carriers that the commission has prescribed and may prescribe, to the extent the rules are not inconsistent with this section. Rules, forms, or reports required by the commission must conform as nearly as practicable to the rules, forms, or reports prescribed by the Federal Communications Commission for interstate business.*

**Subd. 9. [DISCONTINUANCE.]** *If a physical connection exists between a telephone exchange system operated by a telephone company and the toll line or lines operated by a telecommunications carrier, neither of the companies shall have the connection severed or the service between the companies discontinued without first obtaining an order from the commission upon an application for permission to discontinue the physical connection. Upon the filing of an application for discontinuance of the connection, the department shall investigate and ascertain whether public convenience requires the continuance of the physical connection, and if the department so finds, the commission shall fix the compensation, terms, and conditions of the continuance of the physical connection and service between the telephone company and the telecommunications carrier. Prior commission approval is not required for severing connections where multiple local exchange companies are authorized to provide service. However, the commission may require the connections if it finds that the connections are in the public interest.*

**Subd. 10. [COST OF EXAMINATION; ASSESSMENT OF EXPENSES; LIMITATION; OBJECTIONS.]** *Section 237.295 applies to telecommunications carriers as it does to telephone companies.*

**Subd. 11. [ENFORCEMENT; PENALTIES AND REMEDIES.]** *(a) This section and rules and orders of the commission adopted or issued under this section may be enforced by criminal prosecution, action to recover civil penalties, injunction, action to compel performance, other appropriate action, or any combination of penalties and remedies.*

*(b) A person who knowingly and intentionally violates this section or a rule or order of the commission adopted or issued under this section 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 paragraph may be recovered by a civil action brought by the attorney general in the name of the state. Amounts recovered under this paragraph must be paid into the state treasury.*

**Subd. 12. [CERTIFICATION REQUIREMENT.]** *No telecommunications carrier shall construct or operate any line, plant, or system, or any extension of it, or acquire ownership or control of it, either directly or indirectly, without first obtaining from the commission a determination that the present or future public convenience and necessity require or will require the construction, operation, or acquisition, and a new certificate of territorial authority. Nothing in this subdivision requires a telecommunications carrier that has been certified by the commission to provide telephone service before the effective date of this section, to be recertified under this subdivision. Nothing in this subdivision shall be construed to allow or prohibit facilities bypass of the local exchange telephone company, nor shall it be construed to prohibit the commission from issuing orders concerning facilities bypass of the local exchange telephone company.*

**Sec. 5. [REPEALER.]**

*Minnesota Statutes 1992, section 237.59, subdivision 7, is repealed."*

Delete the title and insert:

"A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes 1992, sections 237.01, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, subdivision 7."

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

H.F. No. 254: A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1992, section 375.025, subdivision 4.

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 410: A bill for an act relating to elections; changing requirements and procedures for maintaining precinct boundary data; appropriating money; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 5 and 6; and 204B.146.

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

H.F. No. 201: A bill for an act relating to elections; permitting cities to use mail ballots in city, county, and state elections; amending Minnesota Statutes 1992, section 204B.45, subdivision 1.

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

Page 1, line 10, after "voters" insert "*on June 1 of an election year*"

Page 1, line 12, strike "apply to the county auditor to"

Page 1, line 14, after the period, insert "*The governing body may apply to the county auditor for permission to conduct balloting by mail.*"

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

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

S.F. No. 264: A bill for an act relating to housing; changing program review requirements; increasing deferred loan limits; expanding the types of eligible users of the homesharing program; expanding the project eligibility of the housing trust fund; authorizing cities to sell single-family residential housing under the neighborhood land trust program; expanding the types of eligible service providers and changing the authorized payment structure of the rental assistance for family stabilization program; increasing the income limits for rental housing assistance; establishing the community rehabilitation fund account; consolidating the blighted residential property and capital reserve programs; authorizing tribal Indian housing demonstration projects; amending Minnesota Statutes 1992, sections 462A.05, subdivisions 14a and 24; 462A.07, subdivision 15; 462A.201, subdivision 2; 462A.202, subdivision 7; 462A.205, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 462A.21, subdivisions 4c, 8c, and by adding a subdivision; and 462C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1992, sections 462A.05, subdivision 37; and 462A.32.

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

Page 12, delete section 16 and insert:

“Sec. 16. Minnesota Statutes 1992, 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 for persons with a mental illness to provide or families that include an adult family member with a mental illness. Rental assistance may be in the form of loans or direct rental subsidies for housing for individuals persons or families with incomes of up to 50 percent of area median income as determined by the United States Department of Housing and Urban Development, adjusted for families of five or more. 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 requested by 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.”

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.

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

S.F. No. 222: A bill for an act relating to human services; authorizing the Minnesota housing finance agency to finance residential care facilities for elderly or physically infirm or impaired persons; appropriating money; amending Minnesota Statutes 1992, sections 462A.02, by adding a subdivi-

sion; 462A.03, subdivisions 7 and 19; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; and 462A.22, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Report adopted.

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

H.F. No. 29 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				29	32

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 29 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 29 and insert the language after the enacting clause of S.F. No. 32, the first engrossment; further, delete the title of H.F. No. 29 and insert the title of S.F. No. 32, the first engrossment.

And when so amended H.F. No. 29 will be identical to S.F. No. 32, and further recommends that H.F. No. 29 be given its second reading and substituted for S.F. No. 32, 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. 159 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
159	158				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 159 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 159 and insert the language after the enacting clause of S.F. No. 158, the first engrossment; further, delete the title of H.F. No. 159 and insert the title of S.F. No. 158, the first engrossment.

And when so amended H.F. No. 159 will be identical to S.F. No. 158, and further recommends that H.F. No. 159 be given its second reading and substituted for S.F. No. 158, 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. 640, 250, 128, 578, 174, 481, 748, 498, 163, 670 and 512 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 139, 174, 254, 201, 29 and 159 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Kelly moved that the name of Mr. Murphy be added as a co-author to S.F. No. 556. The motion prevailed.

Mr. Finn moved that the name of Ms. Piper be added as a co-author to S.F. No. 778. The motion prevailed.

Mr. Merriam moved that the name of Mr. Frederickson be added as a co-author to S.F. No. 804. The motion prevailed.

Mr. Merriam moved that the name of Mr. Frederickson be added as a co-author to S.F. No. 822. The motion prevailed.

Mr. Lessard moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 876. The motion prevailed.

Mr. Betzold introduced—

Senate Resolution No. 30: A Senate resolution commending Raymond H. Lunde of Maple Grove, Minnesota, for his many years of effective government service.

Referred to the Committee on Rules and Administration.

Ms. Pappas moved that S.F. No. 640, on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

### CALENDAR

S.F. No. 134: A bill for an act relating to human services; changing nursing home license surcharges; amending Minnesota Statutes 1992, section 256.9657, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Bertram	Flynn	Johnston	Larson
Anderson	Betzold	Frederickson	Kiscaden	Lesewski
Beckman	Chandler	Hanson	Knutson	Lessard
Benson, D.D.	Chmielewski	Hottinger	Krentz	Luther
Benson, J.E.	Day	Janezich	Kroening	Marty
Berg	Dille	Johnson, D.E.	Laidig	McGowan
Berglin	Finn	Johnson, J.B.	Langseth	Merriam

Metzen	Oliver	Price	Sams	Vickerman
Moe, R.D.	Olson	Ranum	Solon	Wiener
Morse	Pappas	Reichgott	Spear	
Murphy	Pariseau	Riveness	Stevens	
Neuville	Piper	Robertson	Stumpf	
Novak	Pogemiller	Runbeck	Terwilliger	

So the bill passed and its title was agreed to.

S.F. No. 19: A bill for an act relating to taxation; providing for purchase of certain tax-forfeited lands; providing a refund; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; and 282.241.

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	Finn	Laidig	Neuville	Runbeck
Anderson	Flynn	Langseth	Novak	Sams
Beckman	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Janezich	Luther	Pariseau	Stumpf
Berglin	Johnson, D.E.	Marty	Piper	Terwilliger
Bertram	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Betzold	Johnston	Merriam	Price	Wiener
Chandler	Kiscaden	Metzen	Ranum	
Chmielewski	Knutson	Moe, R.D.	Reichgott	
Day	Krentz	Morse	Riveness	
Dille	Kroening	Murphy	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 177: A bill for an act relating to crime; expanding the crime of solicitation of juveniles to include the solicitation of mentally impaired persons to commit a criminal act; amending Minnesota Statutes 1992, section 609.494.

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	Finn	Laidig	Murphy	Riveness
Anderson	Flynn	Langseth	Neuville	Robertson
Beckman	Frederickson	Larson	Novak	Runbeck
Benson, D.D.	Hanson	Lesewski	Oliver	Sams
Benson, J.E.	Hottinger	Lessard	Olson	Solon
Berg	Janezich	Luther	Pappas	Spear
Berglin	Johnson, D.E.	Marty	Pariseau	Stevens
Bertram	Johnston	McGowan	Piper	Stumpf
Betzold	Kiscaden	Merriam	Pogemiller	Terwilliger
Chandler	Knutson	Metzen	Price	Vickerman
Day	Krentz	Moe, R.D.	Ranum	Wiener
Dille	Kroening	Morse	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 215: A bill for an act relating to courts; providing that the county law library fee may be collected in petty misdemeanor cases; amending

Minnesota Statutes 1992, sections 134A.09, subdivision 2a; and 134A.10, 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 60 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Morse	Reichgott
Anderson	Flynn	Laidig	Murphy	Riveness
Beckman	Frederickson	Langseth	Neuville	Robertson
Benson, D.D.	Hanson	Larson	Novak	Runbeck
Benson, J.E.	Hottinger	Lesewski	Oliver	Sams
Berglin	Janezich	Lessard	Olson	Solon
Bertram	Johnson, D.E.	Luther	Pappas	Spear
Betzold	Johnson, J.B.	Marty	Pariseau	Stevens
Chandler	Johnston	McGowan	Piper	Stumpf
Chmielewski	Kiscaden	Merriam	Pogemiller	Terwilliger
Day	Knutson	Metzen	Price	Vickerman
Dille	Krentz	Moe, R.D.	Ranum	Wiener

Mr. Berg voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 274: A bill for an act relating to crime; authorizing warrantless arrests for assaults committed against a person with whom the offender has a child or unborn child in common; amending Minnesota Statutes 1992, section 629.341, 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	Finn	Kroening	Murphy	Robertson
Anderson	Flynn	Laidig	Neuville	Runbeck
Beckman	Frederickson	Langseth	Novak	Sams
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, J.B.	Marty	Piper	Terwilliger
Betzold	Johnston	McGowan	Pogemiller	Vickerman
Chandler	Kelly	Merriam	Price	Wiener
Chmielewski	Kiscaden	Metzen	Ranum	
Day	Knutson	Moe, R.D.	Reichgott	
Dille	Krentz	Morse	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 238: A bill for an act relating to agriculture; changing the bases for certain milk payments; amending Minnesota Statutes 1992, section 32.25, 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	Finn	Kroening	Murphy	Robertson
Anderson	Flynn	Laidig	Neuville	Runbeck
Beckman	Frederickson	Langseth	Novak	Sams
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, J.B.	Marty	Piper	Terwilliger
Betzold	Johnston	McGowan	Pogemiller	Vickerman
Chandler	Kelly	Merriam	Price	Wiener
Chmielewski	Kiscaden	Metzen	Ranum	
Day	Knutson	Moe, R.D.	Reichgott	
Dille	Krentz	Morse	Riveness	

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 198: A bill for an act relating to local improvements; setting limits for certain contract requirements; amending Minnesota Statutes 1992, section 429.041, subdivisions 1 and 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 59 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Murphy	Riveness
Anderson	Finn	Kroening	Neuville	Robertson
Beckman	Flynn	Laidig	Novak	Runbeck
Benson, D.D.	Hanson	Langseth	Oliver	Sams
Benson, J.E.	Hottinger	Larson	Olson	Solon
Berg	Janezich	Lesewski	Pappas	Spear
Berglin	Johnson, D.E.	Lessard	Pariseau	Stevens
Bertram	Johnson, J.B.	Luther	Piper	Stumpf
Betzold	Johnston	Marty	Pogemiller	Terwilliger
Chandler	Kelly	McGowan	Price	Vickerman
Chmielewski	Kiscaden	Metzen	Ranum	Wiener
Day	Knutson	Moe, R.D.	Reichgott	

Mr. Merriam 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. Spear in the chair.

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

S.F. Nos. 169, 186, 273, 300 and H.F. Nos. 146 and 227, which the committee recommends to pass.

S.F. No. 127, which the committee recommends be re-referred to the Committee on Rules and Administration.

S.F. No. 282, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 2, line 23, delete from "on" through page 2, line 35, to "occurring"

Page 3, after line 10, insert:

*"(b) For admissions occurring on or after July 1, 1993, the medical assistance disproportionate population adjustment shall comply with federal law and shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of one standard deviation above the arithmetic mean. The adjustment must be determined by multiplying the operating payment rate by the difference between the hospital's actual medical assistance inpatient utilization rate and one standard deviation above the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service."*

The motion prevailed. So the amendment was adopted.

S.F. No. 97, which the committee recommends to pass with the following amendment offered by Mr. Finn:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 144.4165, is amended to read:

144.4165 [TOBACCO PRODUCTS PROHIBITED IN PUBLIC SCHOOLS.]

No person shall at any time smoke or use any other, chew, or otherwise ingest tobacco or a tobacco product in a public school, as defined in section 120.05, subdivision 2. This prohibition extends to all facilities, whether owned, rented, or leased, and all vehicles that a school district owns, leases, rents, contracts for, or controls. This prohibition does not apply to a technical college. *Nothing in this section shall prohibit the lighting of tobacco by an adult as a part of a traditional Indian spiritual or cultural ceremony. For purposes of this section, an Indian is a person who is a member of an Indian tribe as defined in section 257.351, subdivision 9.*

Sec. 2. Minnesota Statutes 1992, section 609.685, subdivision 3, is amended to read:

Subd. 3. [PETTY MISDEMEANOR.] *Whoever uses smokes, chews, or otherwise ingests, purchases, or attempts to purchase tobacco or tobacco related devices and is under the age of 18 years is guilty of a petty misdemeanor. This subdivision does not apply to a person under the age of 18 years who purchases or attempts to purchase tobacco or tobacco related devices while under the direct supervision of a responsible adult for training, education, research, or enforcement purposes.*

Sec. 3. Minnesota Statutes 1992, section 609.685, is amended by adding a subdivision to read:

Subd. 5. [EXCEPTION.] *Notwithstanding subdivision 2, an Indian may furnish tobacco to an Indian under the age of 18 years if the tobacco is furnished as part of a traditional Indian spiritual or cultural ceremony. For purposes of this subdivision, an Indian is a person who is a member of an Indian tribe as defined in section 257.351, subdivision 9."*

Delete the title and insert:

“A bill for an act relating to health; clean indoor air; permitting the use of tobacco in public schools as part of a traditional Indian spiritual or cultural ceremony; amending Minnesota Statutes 1992, sections 144.4165; and 609.685, subdivision 3, and by adding a subdivision.”

The motion prevailed. So the amendment was adopted.

S.F. No. 275, which the committee recommends to pass with the following amendment offered by Mr. Sams:

Page 1, after line 22, insert:

“Sec. 2. Minnesota Statutes 1992, section 340A.503, is amended by adding a subdivision to read:

*Subd. 5a. [PUBLIC INTOXICATION.] It is unlawful for a person under the age of 21 years to be outside the household of the person's parent or guardian while under the influence of alcohol. It is not a defense to a charge under this subdivision that the defendant consumed the alcoholic beverage in the household of the defendant's parent or guardian and with the consent of the parent or guardian.*

Sec. 3. Minnesota Statutes 1992, section 340A.902, is amended to read:

340A.902 [DRUNKENNESS NOT A CRIME.]

No person who is 21 years of age or older may be charged with or convicted of the offense of drunkenness or public drunkenness. Nothing herein prevents the prosecution and conviction of an intoxicated person for offenses other than drunkenness or public drunkenness nor does this section relieve a person from civil liability for an injury to persons or property caused by the person while intoxicated.

Sec. 4. [EFFECTIVE DATE.]

*Sections 2 and 3 are effective August 1, 1993, and apply to violations occurring on or after that date.”*

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections”

Page 1, line 5, before the period, insert “, and by adding a subdivision; and 340A.902”

The motion prevailed. So the amendment was adopted.

S.F. No. 419, which the committee recommends to pass with the following amendment offered by Ms. Berglin:

Page 17, line 8, delete “subdivisions 3 and 8” and insert “subdivision 3”

Amend the title as follows:

Page 1, line 29, delete “subdivisions 3 and 8” and insert “subdivision 3”

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, Mr. Benson, D.D.; Ms. Piper, Mr. Sams and Ms. Kiscaden introduced—

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary commitments by health plans and providers to limit the rate of growth in total revenues; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, and 8; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353, subdivisions 2, 3, 5, and 6; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 62N; 62O; 256; and 295; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Referred to the Committee on Health Care.

Messrs. Chandler, Price, Metzen and Belanger introduced—

S.F. No. 901: A bill for an act relating to insurance; creating the Minnesota title insurance act; regulating the business of title insurance; prescribing the powers and duties of licensees and the commissioner of commerce; prescribing penalties; providing remedies; amending Minnesota Statutes 1992, sections 60J.07, subdivision 8; and 70A.02, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 68B; repealing Minnesota Statutes 1992, sections 68A.01; and 68A.02.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Vickerman, Langseth, Chmielewski, Ms. Lesewski and Mr. Dille introduced—

S.F. No. 902: A bill for an act relating to motor carriers; providing for expiration of certificates and permits used by any carrier for the purpose of armored carriage, and for their conversion to newly created "armored carrier" permits; amending Minnesota Statutes 1992, sections 221.011, by adding a subdivision; 221.111; and 221.121, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221.

Referred to the Committee on Transportation and Public Transit.

Mr. Beckman introduced—

S.F. No. 903: A bill for an act relating to public employees; authorizing a local police civil service commission to adopt rules allowing the striking of a name on the civil service eligible register after a one-year period; amending Minnesota Statutes 1992, section 419.06.

Referred to the Committee on Governmental Operations and Reform.

Mr. Beckman introduced—

S.F. No. 904: A bill for an act relating to taxation; changing the effective date for applying the sales tax to purchases made by local governments; amending Laws 1992, chapter 511, article 8, section 39.

Referred to the Committee on Taxes and Tax Laws.

Mr. Laidig, Mses. Berglin, Johnston, Messrs. Stevens and Terwilliger introduced—

S.F. No. 905: A bill for an act relating to human services; providing a cost-of-living adjustment for personal care assistants; amending Minnesota Statutes 1992, section 256B.0625, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Bertram and Cohen introduced—

S.F. No. 906: A bill for an act relating to crime; expanding scope of registration provision for sex offenders to include other predatory offenders; amending Minnesota Statutes 1992, section 243.166, subdivisions 1, 2, 3, and 6.

Referred to the Committee on Crime Prevention.

Mr. Bertram introduced—

S.F. No. 907: A bill for an act relating to hospital districts; increasing the amount of educational loans a hospital district may make to medical students; amending Minnesota Statutes 1992, section 447.331, subdivision 1.

Referred to the Committee on Health Care.

Mr. Bertram, Ms. Hanson, Mr. Dille, Ms. Lesewski and Mr. Murphy introduced—

S.F. No. 908: A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; appropriating money; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

Referred to the Committee on Agriculture and Rural Development.

Mr. McGowan and Ms. Ranum introduced—



S.F. No. 909: A bill for an act relating to crime; clarifying certain provisions of criminal sexual conduct in the third and fourth degree; expanding prohibitions against criminal sexual conduct by a psychotherapist or a health care professional; amending Minnesota Statutes 1992, sections 609.341, subdivisions 10, 11, 17, 18, and 19; 609.344, subdivision 1; and 609.345, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Metzen introduced—

S.F. No. 910: A bill for an act relating to motor carriers; defining exempt carriers to include certain tow trucks; amending Minnesota Statutes 1992, section 221.025.

Referred to the Committee on Transportation and Public Transit.

Messrs. Metzen and Price introduced—

S.F. No. 911: A bill for an act relating to public employment; essential employees; requiring the commissioner of the bureau of mediation services to designate separate units for peace officers and other essential employees at the request of either group of employees; amending Minnesota Statutes 1992, section 179A.09, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Samuelson, Marty, Sams and Vickerman introduced—

S.F. No. 912: A bill for an act relating to education; changing the structure of the higher education merger by removing the technical colleges from the merger; amending Minnesota Statutes 1992, sections 136E.03; 136E.04, subdivisions 1 and 4; and 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota Statutes 1992, section 136E.04, subdivision 4; and Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

Referred to the Committee on Education.

Messrs. Larson, Dille, Kroening, Chmielewski and Novak introduced—

S.F. No. 913: A bill for an act relating to employment; modifying provisions relating to and renaming the Minnesota council for the blind and the consumer advisory council; establishing a rehabilitation advisory council for the blind; amending Minnesota Statutes 1992, sections 248.10; and 268A.02, subdivision 2.

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

Ms. Anderson, Messrs. Chandler, Kelly, Ms. Pappas and Mr. Cohen introduced—

S.F. No. 914: A bill for an act relating to the city of St. Paul; authorizing the dispensing of intoxicating liquor at the Como Park lakeside pavilion; amending Minnesota Laws 1983, chapter 259, section 8.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Morse and Riveness introduced—

S.F. No. 915: A bill for an act relating to retirement; deferred compensation investment options; amending Minnesota Statutes 1992, section 352.96, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Mr. Metzen, Mses. Runbeck, Wiener and Mr. Novak introduced—

S.F. No. 916: A bill for an act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; amending Minnesota Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

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

Ms. Pappas, Messrs. Solon, Price, Day and Kroening introduced—

S.F. No. 917: A bill for an act relating to insurance; defining "physician" to include chiropractors for purposes of long-term care policies; amending Minnesota Statutes 1992, section 62A.46, subdivision 7.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Betzold, Knutson, Cohen, Finn and Ms. Reichgott introduced—

S.F. No. 918: A bill for an act relating to civil actions; providing that the statute of limitations in section 541.051 governs materials incorporated into an improvement to real property; amending Minnesota Statutes 1992, section 336.2-725.

Referred to the Committee on Judiciary.

Messrs. Spear, Kelly, McGowan, Mses. Ranum and Anderson introduced—

S.F. No. 919: A bill for an act relating to crime; sentencing; clarifying terms relating to the sentencing of criminal offenders; making technical corrections to the new felony sentencing laws; revising current laws relating to mandatory supervised release of sex offenders; revising certain provisions of the challenge incarceration program; amending Minnesota Statutes 1992, sections 144A.04, subdivisions 4 and 6; 144A.11, subdivision 3a; 144B.08, subdivision 3; 152.021, subdivision 3; 152.022, subdivision 3; 152.023, subdivision 3; 152.024, subdivision 3; 152.025, subdivision 3; 152.026; 152.18, subdivision 1; 169.121, subdivision 3a; 238.16, subdivision 2; 244.01, subdivision

8, and by adding a subdivision; 244.05, subdivision 1b; 244.065; 244.101; 244.14, subdivision 3; 244.15, subdivision 1; 244.17, subdivision 3; 244.172, subdivisions 1 and 2; 244.171, subdivision 4; 299A.35, subdivision 2; 609.0341, subdivision 1; 609.101, subdivisions 2, 3, and 4; 609.11; 609.135, subdivision 1; 609.1352, subdivision 1; 609.15, subdivision 2; 609.152, subdivision 1; 609.196; 609.229, subdivision 3; 609.346, subdivisions 2, 2b, and 5; 609.3461, subdivision 2; 609.582, subdivision 1a; 609.891, subdivision 2; 611A.06, subdivision 1; and 629.291, subdivision 1.

Referred to the Committee on Crime Prevention.

Messrs. Novak, Dille, Morse, Chmielewski and Finn introduced—

S.F. No. 920: A bill for an act relating to the environment; modifying a person's duty to report releases of a petroleum product; establishing an accountability committee; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; amending Minnesota Statutes 1992, sections 115C.02, subdivisions 10, 14, and by adding a subdivision; 115C.06, subdivision 2; 115C.065; 115C.07, subdivisions 2, 3, and by adding subdivisions; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 2, 3, 3a, 3c, and 5; and 115C.11, subdivision 1; repealing Minnesota Statutes 1992, sections 115C.01 to 115C.11; and Minnesota Rules, part 2890.0065.

Referred to the Committee on Environment and Natural Resources.

Mr. Novak introduced—

S.F. No. 921: A bill for an act relating to public safety; abolishing expiration date for pipeline safety advisory council; amending Minnesota Statutes 1992, section 299J.06, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Mr. Novak introduced—

S.F. No. 922: A bill for an act relating to taxation; providing alternative requirements for designation of assessors as accredited Minnesota assessors or senior accredited Minnesota assessors; proposing coding for new law in Minnesota Statutes, chapter 270.

Referred to the Committee on Taxes and Tax Laws.

Mr. Neuville introduced—

S.F. No. 923: A bill for an act relating to education; authorizing a student activity account for the Faribault academies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 128A.

Referred to the Committee on Education.

Mr. Benson, D.D. introduced—

S.F. No. 924: A bill for an act relating to taxation; sales and use; clarifying the exemption for certain capital equipment; amending Minnesota Statutes 1992, section 297A.01, subdivision 16.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Vickerman and Beckman introduced—

S.F. No. 925: A bill for an act relating to crimes; creating the felony offense of assaulting a protective agent or security guard who is engaged in performing occupational duties; amending Minnesota Statutes 1992, section 609.2231, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Messrs. Vickerman and Beckman introduced—

S.F. No. 926: A bill for an act relating to security guards; allowing security guards to request identification from persons on the premises; requiring peace officers and the department of public safety to assist security guards in obtaining motor vehicle and driver's license information; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Crime Prevention.

Messrs. Vickerman and Beckman introduced—

S.F. No. 927: A bill for an act relating to education; authorizing an exemption to the general education revenue reduction for independent school district No. 504, Slayton.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 928: A bill for an act relating to human services; establishing a northeast regional services administration at the Moose Lake regional treatment center; reorganizing state-operated services in the region; authorizing planning for and development of community services in the Moose Lake catchment areas, for persons who are mentally ill, developmentally disabled, or chemically dependent; authorizing geriatric services; appropriating money; amending Minnesota Statutes 1992, sections 245.464, subdivision 1; 245.466, subdivision 1; 245.474; 245.652; 251.011, by adding a subdivision; 252.025, by adding a subdivision; 252.50, by adding a subdivision; 253.015, subdivision 2, and by adding a subdivision; and 254.04; proposing coding for new law in Minnesota Statutes, chapter 246.

Referred to the Committee on Health Care.

Ms. Runbeck, Messrs. Terwilliger, Marty and Novak introduced—

S.F. No. 929: A bill for an act relating to elections; providing uniform local election procedures; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, subdivision 1, and by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 205A.03, subdivisions 1 and 2; 205A.04; 205A.05, subdivision 1; 205A.06, subdivision 1, and by adding a subdivision; 205A.09, subdivision 2; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1992, sections 205.02, subdivision 2; 205.065, subdivision 3; 205.18; 205.20; and 205A.04, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Mondale, Mses. Flynn, Pappas, Wiener and Mr. Chandler introduced—

S.F. No. 930: A bill for an act relating to metropolitan government; providing conditions on use agreements for sports facilities; amending Minnesota Statutes 1992, section 473.556, subdivision 12.

Referred to the Committee on Metropolitan and Local Government.

Mr. Mondale, Mses. Flynn, Pappas and Mr. Novak introduced—

S.F. No. 931: A bill for an act relating to metropolitan government; providing for an elected metropolitan council; eliminating the metropolitan transit commission, the regional transit board, the metropolitan parks and open space commission, and the metropolitan waste control commission, and transferring their powers and duties to the council; providing for the transportation advisory board to review and approve transit assistance and contracts and to serve as an arbitrator between transit providers in the metropolitan area; amending Minnesota Statutes 1992, sections 6.76; 10A.01, subdivision 18; 15.0597, subdivision 1; 15A.081, subdivisions 1 and 7; 161.173; 161.174; 204B.32, subdivision 2; 252.478, subdivision 2; 352.01, subdivisions 2a, 2b, and 11; 352.03, subdivision 1; 352D.02, subdivision 1; 353D.01, subdivision 2; 422A.01, subdivision 9; 422A.101, subdivision 2a; 471A.02, subdivision 8; 473.121, subdivision 5a; 473.122; 473.123, subdivisions 1, 2a, 3a, 4, 5, 6, and by adding subdivisions; 473.129, subdivision 6, and by adding a subdivision; 473.13, subdivision 1, and by adding subdivisions; 473.143, subdivision 1; 473.146, subdivisions 1, 2, 2a, 2b, 2c, and 4; 473.147; 473.153, subdivisions 1 and 4a; 473.161, subdivisions 1a, 1b, 2a, and 3; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.223; 473.313, subdivision 2; 473.315, subdivision 1; 473.333; 473.351, subdivision 3; 473.371, subdivision 2; 473.373, subdivisions 1a and 5; 473.375, subdivisions 11, 13, and 16; 473.377, subdivision 1; 473.384, subdivisions 1, 3, 6, and 7; 473.385, subdivision 2; 473.386, subdivision 2; 473.388, subdivisions 2, 3, and 4; 473.39, subdivisions 1 and 1a; 473.391; 473.392; 473.399, subdivisions 2 and 3; 473.3991, subdivision 2; 473.3994, subdivision 9; 473.3998; 473.405, subdivisions 5, 6, and by adding a subdivision; 473.4051; 473.408, subdivision 2a; 473.409; 473.415, subdivision 2; 473.416; 473.417; 473.418; 473.42; 473.436, subdivision 6; 473.445, subdivisions 1 and 3; 473.446, subdivisions 1 and 7; 473.504, subdivisions 1, 5, 6, 7, and 9; 473.511, subdivisions 1, 2, and 4; 473.516, subdivision 1; 473.521, subdivision 3; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; and 629.40, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 12, 14a, 15, and 21; 473.123, subdivision 3; 473.141; 473.161, subdivision 2; 473.1623; 473.163; 473.1631; 473.181, subdivision 3; 473.301, subdivision 4; 473.303; 473.371, subdivision 1; 473.373, subdivisions 1, 4a, 6, and 8; 473.375, subdivisions 1, 2, 3, 4, 9, 10, 17, and 18; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404; 473.405, subdivisions 1, 2, 7, 8; and 11; 473.435; 473.436, subdivision 7; 473.501, subdivision 2; 473.503; 473.504, subdivisions 2 and 3; 473.511, subdivision 3; 473.517, subdivision 9; 473.535; and 473.543, subdivision 5.

Referred to the Committee on Metropolitan and Local Government.

Mses. Runbeck; Anderson; Johnson, J.B. and Mr. Dille introduced—

S.F. No. 932: A bill for an act relating to economic development; requiring a report from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

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

Mses. Anderson, Piper, Pappas and Berglin introduced—

S.F. No. 933: A bill for an act relating to health; requiring radon testing in schools and day cares; requiring a radon mitigation report by the commissioner of health; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health Care.

Mr. Chandler, Ms. Runbeck, Mr. Chmielewski and Ms. Lesewski introduced—

S.F. No. 934: A bill for an act relating to employment; modifying provisions relating to the dislocated worker program; establishing rapid and expeditious response activities programs; providing for worker adjustment services plans; establishing dislocation event services grants; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 268.022, subdivision 2; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; and 268.98; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1992, sections 268.978, subdivision 3.

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

Ms. Lesewski, Messrs. Neuville, Larson and Ms. Johnson, J.B. introduced—

S.F. No. 935: A bill for an act relating to the state lottery; regulating advertising; amending Minnesota Statutes 1992, section 349A.09, subdivision 2.

Referred to the Committee on Gaming Regulation.

Ms. Lesewski, Messrs. Dille, Stevens, Murphy and Kroening introduced—

S.F. No. 936: A bill for an act relating to traffic regulations; authorizing the use of studded tires by mail carriers; amending Minnesota Statutes 1992, section 169.72, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Messrs. Riveness, Stumpf and Morse introduced—

S.F. No. 937: A bill for an act relating to retirement; benefit computation for members of the Bloomington police relief association.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Luther, Solon, Metzen, Larson and Samuelson introduced—

S.F. No. 938: A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; 326.94, subdivision 1; and 326.991, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Kiscaden, Messrs. Morse; Moe, R.D.; Larson and Langseth introduced—

S.F. No. 939: A bill for an act relating to education; appropriating money for the upper division programs at Rochester center.

Referred to the Committee on Education.

Mr. McGowan, Mses. Ranum and Anderson introduced—

S.F. No. 940: A bill for an act relating to crime; increasing penalty for repeat convictions for carrying a pistol without a permit; extending effective period of wiretap warrant from ten to 30 days; amending Minnesota Statutes 1992, sections 624.714, subdivision 1; and 626A.06, subdivisions 4 and 5.

Referred to the Committee on Crime Prevention.

Ms. Reichgott introduced—

S.F. No. 941: A bill for an act relating to courts; authorizing district courts to transfer civil actions to courts outside this state upon consent of those courts; enacting the uniform transfer of litigation act; proposing coding for new law as Minnesota Statutes, chapter 552.

Referred to the Committee on Judiciary.

Messrs. Neuville, Marty, Samuelson and Frederickson introduced—

S.F. No. 942: A bill for an act relating to corrections; public safety; authorizing the commissioner of administration to purchase products and services from correctional facilities without competitive bidding; changing the period that unclaimed money and personal property of inmates must be held before disposal; authorizing the commissioner of corrections to certify certain sex offender treatment programs; providing for the payment of fines and other fees assessed by the court from inmate compensation; removing the requirement that a juvenile sex offender assessment must be done by a professional who does not have a shared financial interest with a treatment provider; removing imprisonment as a grounds for suspending the running of the period of limitation for bringing a civil action; including possessing a sawed-off shotgun as a crime of violence disabling the offender from possession of a pistol for ten years; requiring delivery of transcripts from the court of

conviction to the department of corrections; transferring sentencing to service program positions in the department of natural resources positions to the department of corrections; amending Minnesota Statutes 1992, sections 16B.08, subdivision 7; 241.09; 241.67, subdivision 2; 243.23, subdivision 3; 260.185, subdivision 1; 541.15; 624.712, subdivision 5; and 631.41; repealing Minnesota Statutes 1992, section 241.25.

Referred to the Committee on Crime Prevention.

Mr. Marty introduced—

S.F. No. 943: A bill for an act relating to the ethical practices board; clarifying definitions; strengthening enforcement powers; changing duties; requiring additional disclosure of lobbyist activities; facilitating reports of last-minute contributions; requiring return of public subsidies under certain conditions; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 11, 25, 26, and 28; 10A.02, subdivisions 11 and 12; 10A.03, subdivisions 2 and 3; 10A.04, subdivisions 3, 4, 5, 6, and 7; 10A.05; 10A.08; 10A.09, subdivision 7; 10A.14, subdivision 4; 10A.15, by adding a subdivision; 10A.20, subdivisions 5 and 12; 10A.21, subdivision 3; 10A.23; 10A.31, subdivisions 6, 7, and 8; 10A.322, subdivision 4; 10A.324, subdivision 1; and 10A.34; repealing Minnesota Statutes 1992, sections 10A.09, subdivision 3; and 10A.21, subdivisions 1 and 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Laidig and Mrs. Benson, J.E. introduced—

S.F. No. 944: A bill for an act relating to game and fish; sale of licenses through subagents; amending Minnesota Statutes 1992, section 97A.485, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

Mr. Laidig and Mrs. Benson, J.E. introduced—

S.F. No. 945: A bill for an act relating to game and fish; allowing possession of a handgun while hunting bear with bow and arrow; amending Minnesota Statutes 1992, section 97B.211, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Laidig and Mrs. Benson, J.E. introduced—

S.F. No. 946: A bill for an act relating to watercraft; lowering the minimum age for operators; amending Minnesota Statutes 1992, section 86B.101, subdivision 2; 86B.305, subdivisions 1 and 2; and 86B.313, subdivisions 2 and 3.

Referred to the Committee on Environment and Natural Resources.

Ms. Robertson, Mr. McGowan and Ms. Olson introduced—

S.F. No. 947: A bill for an act relating to retirement; Plymouth volunteer firefighters lump sum service pension maximums.

Referred to the Committee on Governmental Operations and Reform.



Mr. Oliver, Ms. Anderson, Mr. Day, Mses. Piper and Johnston introduced—

S.F. No. 948: A bill for an act relating to insurance; property; regulating the FAIR plan; modifying its provisions; making various technical changes; amending Minnesota Statutes 1992, sections 65A.31; 65A.32; 65A.33, subdivisions 4, 5, and 6; 65A.34; 65A.35; 65A.36; 65A.37; 65A.375; 65A.38; 65A.39; 65A.40; 65A.41; and 65A.42; repealing Minnesota Statutes 1992, sections 65A.33, subdivision 8; and 65A.43.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Kiscaden; Johnson, J.B.; Messrs. Frederickson, Morse and Mrs. Adkins introduced—

S.F. No. 949: A bill for an act relating to outdoor recreation; prohibiting motor sports areas on state lands without county board approval.

Referred to the Committee on Environment and Natural Resources.

Mr. Kelly introduced—

S.F. No. 950: A bill for an act relating to taxation; authorizing the commissioner of revenue to deduct debts owed by one political subdivision to another from aids payable to the debtor; amending Minnesota Statutes 1992, section 270.66, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon and Johnson, D.J. introduced—

S.F. No. 951: A bill for an act relating to taxation; income and franchise; providing that for apportionment of net income certain sales are made outside the state; amending Minnesota Statutes 1992, section 290.191, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon; Metzen; Johnson, D.J. and Janezich introduced—

S.F. No. 952: A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Neuville, Mses. Johnston, Lesewski, Messrs. Chmielewski and Vickerman introduced—

S.F. No. 953: A bill for an act relating to motor vehicles; providing for appointment of deputy registrars of motor vehicles; amending Minnesota Statutes 1992, sections 168.33, subdivision 2; and 373.35, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Messrs. Neuville, Terwilliger and Beckman introduced—

S.F. No. 954: A bill for an act relating to driving while intoxicated; increasing driver's license revocation periods and restricting issuance of limited licenses to persons convicted of DWI, to comply with federal standards; lowering the statutory alcohol concentration limit from 0.10 to 0.08; amending Minnesota Statutes 1992, sections 169.121, subdivisions 1, 2, 4, 8, 10a, and by adding a subdivision; 169.123, subdivisions 2, 4, 5a, 6, 10, and by adding a subdivision; 171.30, subdivision 2a; and 609.21.

Referred to the Committee on Crime Prevention.

Mr. Neuville, Mses. Johnston, Lesewski, Messrs. Chmielewski and Vickerman introduced—

S.F. No. 955: A bill for an act relating to drivers' licenses; allowing agents of court administrators to retain fee for applications for drivers' licenses and identification cards; providing for appointment of these agents; amending Minnesota Statutes 1992, section 171.06, subdivision 4.

Referred to the Committee on Transportation and Public Transit.

Messrs. Hottinger, Solon, Metzen and Oliver introduced—

S.F. No. 956: A bill for an act relating to consumer protection; rental purchase agreements; limiting the amounts lessors may charge lessees for acquiring ownership; clarifying the application of certain other laws; amending Minnesota Statutes 1992, sections 325F.85; 325F.91, by adding a subdivision; and 325F.93.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin, Mr. Benson, D.D.; Ms. Piper, Mr. Sams and Ms. Kiscaden introduced—

S.F. No. 957: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary commitments by health plans and providers to limit the rate of growth in total revenues; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, and 8; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353, subdivisions 2, 3, 5, and 6; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions;

295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 62N; 62O; 256; and 295; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Referred to the Committee on Judiciary.

Mr. Kelly introduced—

S.F. No. 958: A bill for an act relating to crime; requiring courts to impose a 20 percent of maximum fine amount on persons convicted of controlled substance offenses; appropriating money; amending Minnesota Statutes 1992, section 609.101, subdivision 3; Laws 1991, chapter 279, section 41.

Referred to the Committee on Crime Prevention.

Mr. Kelly introduced—

S.F. No. 959: A bill for an act relating to public safety; bureau of criminal apprehension; establishing office of information systems; requiring public officials to furnish criminal justice information and statistics; changing buy fund and firearm discharge reporting dates; amending Minnesota Statutes 1992, sections 299C.065, subdivisions 3 and 3a; 299C.18; 299C.21; 299C.46, by adding a subdivision; 626.553, subdivision 2; and 626.5531; proposing coding for new law in Minnesota Statutes, chapter 299C; repealing Minnesota Statutes 1992, sections 299C.05; 299C.06; and 299C.36.

Referred to the Committee on Crime Prevention.

Mses. Reichgott, Krentz, Messrs. Terwilliger, Mondale and Ms. Ranum introduced—

S.F. No. 960: A bill for an act relating to education; increasing the general education formula allowance; increasing training and experience revenue; increasing the portion of referendum revenue subject to equalization; increasing special education aid and revenue; increasing the capital expenditure equipment allowance; phasing out supplemental revenue; amending Minnesota Statutes 1992, sections 124.244, subdivision 1; 124.32, subdivision 1b; 124.321, subdivisions 1 and 2; 124A.03, subdivisions 1e, 1f, and 1i, and by adding subdivisions; 124A.04, subdivision 2; 124A.22, subdivisions 2, 4, 8a, 8b, and 9, and by adding subdivisions.

Referred to the Committee on Education.

Mr. Frederickson, Mses. Johnson, J.B. and Runbeck introduced—

S.F. No. 961: A bill for an act relating to the department of jobs and training; changing its name to the department of economic security.

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

Ms. Pappas and Mr. Kelly introduced—

S.F. No. 962: A bill for an act relating to local government; eliminating a requirement that independent school district No. 625 contract with the city of

Saint Paul for facilities furnished by the city civil service bureau; amending Laws 1965, chapter 705, section 1, subdivision 3.

Referred to the Committee on Metropolitan and Local Government.

Ms. Johnson, J.B. and Mr. Finn introduced—

S.F. No. 963: A bill for an act relating to the environment; prohibiting state permits for expansion or enhancement of coal-fired steam heating facilities within a certain portion of the Mississippi river critical area; proposing coding for new law in Minnesota Statutes, chapter 116G.

Referred to the Committee on Environment and Natural Resources.

Messrs. Price, Finn, Laidig, Morse and Chandler introduced—

S.F. No. 964: A bill for an act relating to outdoor recreation; giving counties option to participate in distribution of snowmobile trail grants-in-aid; amending Minnesota Statutes 1992, sections 84.83, by adding a subdivision; and 85.018, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Frederickson and Merriam introduced—

S.F. No. 965: A bill for an act relating to state department of finance; making technical and substantive changes to provisions of law about the department; amending Minnesota Statutes 1992, sections 16A.011, subdivisions 5, 6, and 14; 16A.04, subdivision 1; 16A.055, subdivision 1; 16A.06, subdivision 4; 16A.065; 16A.10, subdivisions 1 and 2; 16A.105; 16A.11, subdivisions 1, 2, and 3; 16A.128; 16A.129, by adding a subdivision; 16A.15, subdivisions 1, 5, and 6; 16A.152, by adding subdivisions; 16A.1541; 16A.17, subdivision 3; 16A.28; 16A.30; 16A.58; 16A.69, subdivision 2; and 16A.72; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1992, sections 3.3005; 16A.095, subdivision 3; 16A.123; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; and 290A.24.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Murphy, Laidig, Day and Beckman introduced—

S.F. No. 966: A bill for an act relating to crimes; requiring a mandatory minimum term of imprisonment for not less than two years in cases involving possession of firearms or display of dangerous weapons; amending Minnesota Statutes 1992, section 609.11, subdivision 4.

Referred to the Committee on Crime Prevention.

Mr. Langseth, Ms. Pappas, Messrs. Berg, Terwilliger and Mrs. Benson; J.E. introduced—

S.F. No. 967: A bill for an act relating to education; changing the structure of the higher education merger by removing the technical colleges from the merger; amending Minnesota Statutes 1992, sections 136E.03; 136E.04, subdivisions 1 and 4; and 179A.10, subdivision 2; Laws 1991, chapter 356, article 9, sections 8, subdivisions 1 and 4; 9; and 14; repealing Minnesota

Statutes 1992, section 136E.04, subdivision 4; and Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11.

Referred to the Committee on Education.

Mses. Berglin, Piper and Mr. Novak introduced—

S.F. No. 968: A bill for an act relating to human services; changing the distribution scheme for money appropriated for the foodshelf program; appropriating money; amending Minnesota Statutes 1992, section 268.55.

Referred to the Committee on Family Services.

Ms. Ranum, Messrs. Knutson, Finn, McGowan and Merriam introduced—

S.F. No. 969: A bill for an act relating to juvenile court; providing for access to and dissemination of juvenile court records; amending Minnesota Statutes 1992, section 260.161, subdivisions 1 and 3.

Referred to the Committee on Crime Prevention.

Ms. Johnson, J.B.; Messrs. Finn and Morse introduced—

S.F. No. 970: A bill for an act relating to energy; cogeneration and small power production; providing for establishment of prices paid for utilities' avoided capacity and energy costs; providing that the public utilities commission establish a preference for renewable resource energy production; requiring rulemaking; providing for a rulemaking exemption; amending Minnesota Statutes 1992, sections 216B.164, subdivision 4; and 216B.2421, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Ms. Johnson, J.B.; Messrs. Finn and Morse introduced—

S.F. No. 971: A bill for an act relating to energy; cogeneration and small power production; providing for establishment of prices paid for utilities' avoided capacity and energy costs; providing that the public utilities commission establish a preference for renewable resource energy production; requiring rulemaking; providing for a rulemaking exemption; amending Minnesota Statutes 1992, sections 216B.164, subdivision 4; 216B.2421, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Ms. Johnson, J.B. introduced—

S.F. No. 972: A bill for an act relating to energy; providing for energy audits of rental property; changing requirements for utility billing practices by manufactured home park owners; authorizing tenants in single-metered multiunit residential buildings to pay utility service and deduct the payments from rent due; providing remedies; requiring landlords to disclose certain energy information to prospective tenants; amending Minnesota Statutes 1992, sections 216C.31; 327C.04, subdivision 3; 504.185, subdivision 1, and by adding a subdivision; and 504.22, by adding a subdivision; repealing Minnesota Statutes 1992, section 327C.04, subdivision 4.

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

Ms. Johnson, J.B. introduced—

S.F. No. 973: A bill for an act relating to utilities; eliminating advance forecast reporting requirements for public electric utilities submitting advance forecasts in an integrated resource plan; amending Minnesota Statutes 1992, sections 116C.54; and 216C.17, subdivision 3.

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

Ms. Johnson, J.B. introduced—

S.F. No. 974: A bill for an act relating to energy; updating the municipal energy conservation loan program; amending Minnesota Statutes 1992, sections 216C.37, subdivision 1; and 446A.10, subdivision 2.

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

Mr. Solon introduced—

S.F. No. 975: A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, and tank installer training and certification requirements; amending Minnesota Statutes 1992, section 116.47.

Referred to the Committee on Environment and Natural Resources.

Ms. Ranum and Messrs. Finn and Merriam introduced—

S.F. No. 976: A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as private and nonpublic; classifying certain licensing data, security service data, motor carrier operating data, and retirement data; amending Minnesota Statutes 1992, sections 13.32, subdivision 1; 13.41, subdivision 4; 13.42, subdivision 2; 13.46; subdivision 4; 13.643, by adding a subdivision; 13.72, by adding a subdivision; and 13.82, subdivisions 6 and 10; proposing coding for new law in Minnesota Statutes, chapter 13.

Referred to the Committee on Judiciary.

Ms. Ranum and Mr. Kelly introduced—

S.F. No. 977: A bill for an act relating to education; appropriating money for violence prevention education grants.

Referred to the Committee on Education.

Ms. Berglin, Mr. Samuelson, Ms. Piper and Mr. Riveness introduced—

S.F. No. 978: A bill for an act relating to human services; changing requirements and reimbursement rates for the preadmission screening program; amending Minnesota Statutes 1992, sections 256B.0911, subdivisions 2, 3, 4, 6, 7, and by adding a subdivision; 256B.0913, subdivisions 12 and 14; and 256B.0915, subdivision 3.

Referred to the Committee on Health Care.

Mses. Berglin, Piper, Messrs. Sams and Riveness introduced—

S.F. No. 979: A bill for an act relating to human services; establishing alternative care program pilot projects.

Referred to the Committee on Health Care.

Messrs. Novak, Pogemiller and Terwilliger introduced—

S.F. No. 980: A bill for an act relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; permitting a contribution with interest by a member for past service with the city; amending Laws 1977, chapter 374, section 8, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Mr. Chandler, Ms. Kiscaden, Mr. Knutson and Ms. Piper introduced—

S.F. No. 981: A bill for an act relating to human services; clarifying and changing license evaluation requirements and eliminating certain restrictions on businesses providing certain adult foster care services; changing the billing cycle and collection retention for certain human services programs; modifying conditions for the Minnesota family investment plan; changing the name of the hearing impaired services act and the council for the hearing impaired; changing requirements for child protection training and clarifying maltreatment reporting; amending Minnesota Statutes 1992, sections 245A.04, subdivision 6; 245A.11, subdivision 2a; 256.019; 256.025, subdivision 3; 256.033, subdivision 1; 256.034, subdivision 1; 256.0361, subdivision 1; 256C.21; 256C.22; 256C.23, subdivisions 2, 3, and by adding a subdivision; 256C.24; 256C.25, subdivision 1; 256C.26; 256C.27; 256C.28; 268.871, subdivision 1; 626.556, subdivisions 10 and 11; 626.559, subdivisions 1 and 1a; and 626.5591.

Referred to the Committee on Family Services.

Mr. Sams, Mrs. Benson, J.E.; Messrs. Riveness and Day introduced—

S.F. No. 982: A bill for an act relating to human services; rescheduling the payment schedule for human services programs; appropriating money; amending Minnesota Statutes 1992, sections 256.025, subdivisions 3 and 4; 273.1392; 273.1398, subdivision 5b; and 275.07, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1992, section 273.1398, subdivisions 5a and 5c.

Referred to the Committee on Family Services.

Mr. Murphy introduced—

S.F. No. 983: A bill for an act relating to metropolitan government; repealing the authority for dual track airport development planning; repealing Minnesota Statutes 1992, sections 473.155, subdivisions 3 and 4; 473.1551; 473.616; 473.618; and 473.619.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Cohen, Finn, Novak, Hottinger and Stumpf introduced—

S.F. No. 984: A bill for an act relating to civil actions; clarifying the limits

on recovery for economic loss caused by components of manufactured goods; amending Minnesota Statutes 1992, section 604.10.

Referred to the Committee on Judiciary.

Messrs. Chmielewski, Sams and Stumpf introduced—

S.F. No. 985: A bill for an act relating to education; modifying the maximum effort school loan program maximum tax rate for districts that refund bonds at a lower interest rate; amending Minnesota Statutes 1992, section 124.431, subdivision 14.

Referred to the Committee on Education.

Messrs. Terwilliger, Oliver and Ms. Robertson introduced—

S.F. No. 986: A bill for an act relating to watercraft; exempting rowing shells or sculls from titling; amending Minnesota Statutes 1992, section 86B.820, subdivision 14.

Referred to the Committee on Environment and Natural Resources.

Messrs. Terwilliger and Belanger introduced—

S.F. No. 987: A bill for an act relating to wild animals; prohibiting certain equipment in taking; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Mr. Oliver, Ms. Kiscaden, Mr. Terwilliger, Ms. Robertson and Olson introduced—

S.F. No. 988: A bill for an act relating to taxation; property; changing the class rates applied to residential homesteads; amending Minnesota Statutes 1992, sections 273.13, subdivision 22; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Betzold introduced—

S.F. No. 989: A bill for an act relating to civil actions; establishing provisions relating to medical malpractice punitive damage awards; proposing coding for new law in Minnesota Statutes, chapter 549.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 990: A bill for an act relating to juries; requiring the supreme court to simplify jury selection procedures; amending Minnesota Statutes 1992, section 593.51.

Referred to the Committee on Judiciary.

Ms. Wiener, Messrs. Betzold, Novak, Murphy and Ms. Reichgott introduced—



S.F. No. 991: A bill for an act relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action; amending Minnesota Statutes 1992, sections 148.181, subdivisions 1 and 3; 148.211, subdivision 1; 148.212; and 148.261, subdivision 1.

Referred to the Committee on Health Care.

Mrs. Pariseau and Mr. Merriam introduced—

S.F. No. 992: A bill for an act relating to pollution control; eliminating the pollution control agency board; creating the technical advisory council; expanding the duties of the commissioner; amending Minnesota Statutes 1992, sections 116.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116; repealing Minnesota Statutes 1992, sections 116.02, subdivisions 2, 3, and 4.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnston, Messrs. McGowan and Stevens introduced—

S.F. No. 993: A bill for an act relating to public safety; allowing social security numbers of commercial drivers to be provided to the federal commercial driver license information system; allowing person whose vehicle license plates are impounded to designate a licensed driver for the purpose of obtaining special series license plates; prohibiting person whose license plates are impounded from purchasing a motor vehicle under certain conditions; clarifying driver's license classification provisions; imposing fee for duplicate identification card; requiring application for duplicate identification card when certain information changes; including certain traffic offenses as being serious violations when committed by commercial vehicle drivers; providing for driver's license reinstatement fees; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 168.042, subdivision 12, and by adding a subdivision; 171.02, subdivision 2; 171.06, subdivision 2; 171.11; 171.165, subdivision 4; and 171.29, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Ms. Runbeck introduced—

S.F. No. 994: A bill for an act relating to public employment; modifying the definition of public employee; amending Minnesota Statutes 1992, section 179A.03, subdivision 14.

Referred to the Committee on Governmental Operations and Reform.

Mses. Johnston and Lesewski introduced—

S.F. No. 995: A bill for an act proposing an amendment to the Minnesota Constitution, article XIV; dedicating net proceeds of motor vehicle excise tax; repealing that part of motor vehicle excise tax dedicated to local government trust fund; repealing Minnesota Statutes 1992, section 297B.09, subdivision 3.

Referred to the Committee on Transportation and Public Transit.

Mses. Lesewski and Runbeck introduced—

S.F. No. 996: A bill for an act relating to weights and measures; correcting name of accountant's organization; amending Minnesota Statutes 1992, section 239.05, subdivision 2c.

Referred to the Committee on Commerce and Consumer Protection.

### MEMBERS EXCUSED

Messrs. Belanger, Johnson, D.J. and Samuelson were excused from the Session of today. Mr. Novak was excused from the Session of today at 11:35 a.m. Mr. Mondale was excused from the Session of today from 10:30 to 11:00 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Thursday, March 18, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-THIRD DAY

St. Paul, Minnesota, Thursday, March 18, 1993

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

### CALL OF THE SENATE

Ms. Reichgott 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. Dan Conlin.

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

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

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.

February 24, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## STATE BOARD FOR COMMUNITY COLLEGES

Karen Correll, 209 W. First St., Jordan, Scott County, has been appointed by me, effective February 27, 1993, for a term expiring on the first Monday in January, 1995.

Charlotte Nordby, 8915 Glen Edin Ln. N., Brooklyn Park, Hennepin County, has been appointed by me, effective February 27, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

February 24, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## MINNESOTA VETERANS HOMES BOARD OF DIRECTORS

Susan Kiley, 1514 Selby Ave., St. Paul, Ramsey County, has been appointed by me, effective February 23, 1993, for a term expiring on the first Monday in January, 1997.

Stephen J. O'Connor, R.R. 3, Box 28B, Spring Valley, Fillmore County, has been appointed by me, effective February 23, 1993, for a term expiring on the first Monday in January, 1997.

Michas Ohnstad, 727 - 10th Ave., North Branch, Chisago County, has been appointed by me, effective February 23, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Veterans and General Legislation.)

March 1, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

## MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

John Hoyt, 4812 Dunberry Ln., Edina, Hennepin County, has been appointed

by me, effective February 26, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

March 1, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Robert Christopher Barden, 4025 Quaker Ln. N., Plymouth, Hennepin County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1999.

Marilyn Bryant, 17819 Maple Hill Rd., Wayzata, Hennepin County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1999.

Ruth Ann Eaton, 3728 Greysolon Rd., Duluth, St. Louis County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1995.

(Referred to the Committee on Education.)

March 1, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

#### STATE BOARD OF TECHNICAL COLLEGES

Anil Jain, 4 W. Day Ln., North Oaks, Ramsey County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1997.

Jody Olson, 301 Pine Ave. N., Canby, Yellow Medicine County, has been appointed by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1997.

Roy Wallace, 3138B Farnum Dr., Eagan, Dakota County, has been appointed

by me, effective February 24, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

Warmest regards,  
Arne H. Carlson, Governor

March 12, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 48.

Warmest regards,  
Arne H. Carlson, Governor

March 15, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
48		6	2:55 p.m. March 12	March 12

Sincerely,  
Joan Anderson Growe  
Secretary of State

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 203, 442, 226, 296 and 546.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 15, 1993

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 203: A bill for an act relating to occupations and professions; board of medical practice; modifying requirements for licensing United States, Canadian, and foreign medical school graduates; providing for temporary permits; providing for residency permits; adding a requirement for students exempt from penalties for practicing without a license; adding to licensed professionals subject to reporting obligations; indemnifying board members, consultants, and persons employed by the board; adding registration requirements for physical therapists from other states and foreign-trained physical therapists; amending Minnesota Statutes 1992, sections 62A.46, subdivision 7; 147.02, subdivision 1, and by adding a subdivision; 147.03; 147.037, subdivision 1, and by adding a subdivision; 147.09; 147.111, subdivision 4; 147.121, subdivision 2; and 148.71, subdivision 2; and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 147.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 94, now on General Orders.

H.F. No. 442: A bill for an act relating to education; appropriating money for a deficiency in HECB appropriations.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 169, now on the Calendar.

H.F. No. 226: A bill for an act relating to health; clarifying the meaning of comprehensive health maintenance services; amending Minnesota Statutes 1992, section 62D.02, subdivision 7.

Referred to the Committee on Health Care.

H.F. No. 296: A bill for an act relating to financial institutions; credit unions; regulating investments in share certificates; authorizing credit unions to make reverse mortgage loans; regulating credit unions as depositories of various funds; amending Minnesota Statutes 1992, sections 11A.24, subdivision 4; 41B.19, subdivision 6; 47.58, subdivision 1; 50.14, subdivision 13; 52.04, subdivision 1; 80A.14, subdivisions 4 and 9; 116J.8765, subdivision 4; 118.01, subdivision 1; 118.10; 136.31, subdivision 6; 427.01; 446A.11, subdivision 9; 475.67, subdivision 5; and 520.01, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 276, now on General Orders.

H.F. No. 546: A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

Referred to the Committee on Environment and Natural Resources.

**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. 566 and reports pertaining to appointments. The motion prevailed.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 608: A bill for an act relating to higher education; regulating unrequested leaves of absence during the regionalization process of technical colleges; amending Minnesota Statutes 1992, section 136C.64, subdivision 3.

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

Page 1, lines 17 and 22, delete "April" and insert "February"

Page 2, delete section 2

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

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was re-referred

S.F. No. 377: A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

Report 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 1992, section 245.4873, subdivision 2, is amended to read:

Subd. 2. [STATE LEVEL; COORDINATION.] *The state coordinating council consists of the commissioners or designees of commissioners of the departments of human services, health, education, state planning, and corrections, and a representative of the Minnesota district judges association juvenile committee, in conjunction with the commissioner of commerce or a designee of the commissioner, and the director or a designee of the director of the office of strategic and long range planning. The members of the council shall annually alternate chairing the council beginning with the commissioner of human services and proceeding in the order as listed in this subdivision. The council shall meet at least quarterly to:*

(1) educate each agency about the policies, procedures, funding, and services for children with emotional disturbances of all agencies represented;

(2) develop mechanisms for interagency coordination on behalf of children with emotional disturbances;

(3) identify barriers including policies and procedures within all agencies represented that interfere with delivery of mental health services for children;

(4) recommend policy and procedural changes needed to improve development and delivery of mental health services for children in the agency or agencies they represent;



(5) identify mechanisms for better use of federal and state funding in the delivery of mental health services for children; and

(6) until February 15, 1992, prepare an annual report on the policy and procedural changes needed to implement a coordinated, effective, and cost-efficient children's mental health delivery system.

This report shall be submitted to the legislature and the state mental health advisory council annually as part of the report required under section 245.487, subdivision 4. The report shall include information from each department represented on:

(1) the number of children in each department's system who require mental health services;

(2) the number of children in each system who receive mental health services;

(3) how mental health services for children are funded within each system;

(4) how mental health services for children could be coordinated to provide more effectively appropriate mental health services for children; and

(5) recommendations for the provision of early screening and identification of mental illness in each system perform the duties required under sections 245.494 to 245.496.

Sec. 2. [245.491] [CITATION; DECLARATION OF PURPOSE.]

*Subdivision 1. [CITATION.] Sections 245.491 to 245.496 may be cited as "the children's mental health integrated fund."*

*Subd. 2. [PURPOSE.] The legislature finds that children with emotional or behavioral disturbances or who are at risk of suffering such disturbances often require services from multiple service systems including mental health, social services, education, corrections, juvenile court, health, and jobs and training. In order to better meet the needs of these children, it is the intent of the legislature to establish an integrated children's mental health service system that:*

(1) allows local service decision makers to draw funding from a single local source so that funds follow clients and eliminates the need to match clients, funds, services, and provider eligibilities;

(2) creates a local pool of state, local, and private funds to procure a greater medical assistance federal financial participation;

(3) improves the efficiency of use of existing resources;

(4) minimizes or eliminates the incentives for cost and risk shifting; and

(5) increases the incentives for earlier identification and intervention.

*The children's mental health integrated fund established under sections 245.491 to 245.496 must be used to develop and support this integrated mental health service system. In developing this integrated service system, it is not the intent of the legislature to limit any rights available to children and their families through existing federal and state laws.*

Sec. 3. [245.492] [DEFINITIONS.]

*Subdivision 1. [DEFINITIONS.] The definitions in this section apply to sections 245.491 to 245.496.*

*Subd. 2. [BASE LEVEL FUNDING.] "Base level funding" means funding received from state, federal, or local sources and expended across the local system of care in fiscal year 1993 for children's mental health services or for special education services for children with emotional or behavioral disturbances. In subsequent years, base level funding may be adjusted to reflect decreases in the numbers of children in the target population.*

*Subd. 3. [CHILDREN WITH EMOTIONAL OR BEHAVIORAL DISTURBANCES.] "Children with emotional or behavioral disturbances" includes children with emotional disturbances as defined in section 245.4871, subdivision 15, and children with emotional or behavioral disorders as defined in Minnesota Rules, part 3525.1329, subpart 1.*

*Subd. 4. [FAMILY.] "Family" has the definition provided in section 245.4871, subdivision 16.*

*Subd. 5. [INITIAL TARGET POPULATION.] "Initial target population" means a population of children that the local children's mental health collaborative agrees to serve in the start-up phase and who meet the criteria for the target population. The initial target population may be less than the target population.*

*Subd. 6. [INTEGRATED FUND.] "Integrated fund" is a pool of both public and private local, state, and federal resources, consolidated at the local level, to accomplish locally agreed upon service goals for the target population. The fund is used to help the local children's mental health collaborative to serve the mental health needs of children in the target population by allowing the local children's mental health collaboratives to develop and implement an integrated service system.*

*Subd. 7. [INTEGRATED SERVICE SYSTEM.] "Integrated service system" means a coordinated set of procedures established by the local children's mental health collaborative for coordinating services and actions across categorical systems and agencies that results in:*

- (1) integrated funding;*
- (2) outreach, early identification, and intervention across systems;*
- (3) strong collaboration between parents and professionals in identifying children in the target population, facilitating access to the integrated system, and coordinating care and services for these children;*
- (4) a coordinated assessment process across systems that determines which children need multiagency care coordination and wraparound services;*
- (5) multiagency plan of care; and*
- (6) wraparound services.*

*Services provided by the integrated service system must meet the requirements set out in sections 245.487 to 245.4887. Children served by the integrated service system must be economically and culturally representative of children in the service delivery area.*

Subd. 8. [INTEGRATED FUND TASK FORCE.] *"The integrated fund task force" means the statewide task force established in Laws 1991, chapter 292, article 6, section 57.*

Subd. 9. [INTERAGENCY EARLY INTERVENTION COMMITTEE.] *"Interagency early intervention committee" refers to the committee established under section 120.17, subdivision 12.*

Subd. 10. [LOCAL CHILDREN'S ADVISORY COUNCIL.] *"Local children's advisory council" refers to the council established under section 245.4875, subdivision 5.*

Subd. 11. [LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] *"Local children's mental health collaborative" means an entity formed by the contractual agreement of representatives of the local system of care including mental health services, social services, correctional services, education services, health services, and vocational services for the purpose of developing and governing an integrated service system. A local coordinating council or an interagency early intervention committee may serve as a local children's mental health collaborative if its representatives are capable of carrying out the duties of the local children's mental health collaborative set out in sections 245.491 to 245.496. Where a local coordinating council is not the local children's mental health collaborative, the local children's mental health collaborative must work closely with the local coordinating council in designing the integrated service system.*

Subd. 12. [LOCAL COORDINATING COUNCIL.] *"Local coordinating council" refers to the council established under section 245.4875, subdivision 6.*

Subd. 13. [LOCAL SYSTEM OF CARE.] *"Local system of care" has the definition provided in section 245.4871, subdivision 24.*

Subd. 14. [MENTAL HEALTH SERVICES.] *"Mental health services" has the definition provided in section 245.4871, subdivision 28.*

Subd. 15. [MULTIAGENCY PLAN OF CARE.] *"Multiagency plan of care" means a written plan of intervention and integrated services developed by a multiagency team in conjunction with the child and family based on their unique strengths and needs as determined by a multiagency assessment. The plan must outline measurable client outcomes and specific services needed to attain these outcomes, the agencies responsible for providing the specified services, funding responsibilities, timelines, the judicial or administrative procedures needed to implement the plan of care, the agencies responsible for initiating these procedures, and designate one person with lead responsibility for overseeing implementation of the plan.*

Subd. 16. [RESPITE CARE.] *"Respite care" is planned routine care to support the continued residence of a child with emotional or behavioral disturbance with the child's family or long-term primary caretaker.*

Subd. 17. [SERVICE DELIVERY AREA.] *"Service delivery area" means the geographic area to be served by the local children's mental health collaborative and must include at a minimum a part of a county and school district or a special education cooperative.*

Subd. 18. [START-UP FUNDS.] *"Start-up funds" means the funds available to assist a local children's mental health collaborative in planning*

and developing the integrated service system for children in the target population and in setting up a local integrated fund.

*Subd. 19. [STATE COORDINATING COUNCIL.] "State coordinating council" means the council established under section 245.4873, subdivision 2.*

*Subd. 20. [TARGET POPULATION.] "Target population" means children up to age 18 with an emotional or behavioral disturbance or who are at risk of suffering an emotional or behavioral disturbance as evidenced by a behavior or condition that affects the child's ability to function in a primary aspect of daily living including personal relations, living arrangements, work, school, and recreation and a child who can benefit from:*

*(1) multiagency service coordination and wraparound services; or*

*(2) informal coordination of traditional mental health services provided on a temporary basis.*

*Children between the ages of 18 and 21 who meet this criteria may be included in the target population at the option of the local children's mental health collaborative.*

*Subd. 21. [WRAPAROUND SERVICES.] "Wraparound services" are alternative, flexible, coordinated, and highly individualized services that are based on a multiagency plan of care. These services are designed to build on the strengths and respond to the needs identified in the child's multiagency assessment and to improve the child's ability to function in the home, school, and community. Wraparound services may include, but are not limited to, respite services, services that assist the child or family in enrolling in or participating in recreational activities, assistance in purchasing otherwise unavailable items or services important to maintain a specific child in the family, and services that assist the child to participate in more traditional services and programs.*

**Sec. 4. [245.493] [LOCAL LEVEL COORDINATION.]**

*Subdivision 1. [REQUIREMENTS TO QUALIFY AS A LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVE.] In order to qualify as a local children's mental health collaborative and be eligible to receive start-up funds, the representatives of the local system of care, or at a minimum one county, one school district or special education cooperative, and one mental health entity must agree to the following:*

*(1) to establish a local children's mental health collaborative and develop an integrated service system;*

*(2) to meet the duties described in subdivision 2; and*

*(3) to commit resources to providing services through the local children's mental health collaborative.*

*Subd. 2. [GENERAL DUTIES OF THE LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVES.] Each local children's mental health collaborative must:*

*(1) identify a service delivery area and an initial target population within that service delivery area. The initial target population must be economically and culturally representative of children in the service delivery area to be*

*served by the local children's mental health collaborative. The size of the initial target population must also be economically viable for the service delivery area;*

*(2) develop and communicate to agencies in the local system of care eligibility criteria for services received through the local children's mental health collaborative and a process for determining eligibility. The process shall place strong emphasis on outreach to families, respecting the family role in identifying children in need, and valuing families as partners;*

*(3) seek to maximize federal revenues available to serve children in the target population by designating local expenditures for mental health services that can be matched with federal dollars and by designing services to meet the requirements for state and federal reimbursement;*

*(4) in consultation with the local children's advisory council and the local coordinating council, if it is not the local children's mental health collaborative, design, develop, and ensure implementation of an integrated service system and develop interagency agreements necessary to implement the system;*

*(5) expand membership to include representatives of other services in the local system of care;*

*(6) develop mechanisms for integrating funds to either expand the initial target population or expand services to the target population;*

*(7) create or designate a management structure for fiscal and clinical responsibility, data collection, outcome evaluation, and information flow;*

*(8) develop mechanisms for quality assurance, outcome management, and appeals;*

*(9) involve the family, and where appropriate the individual child, in developing multiagency service plans to the extent required in sections 120.17, subdivision 3a; 245.4871, subdivision 21; 245.4881, subdivision 4; 253B.03, subdivision 7; 257.071, subdivision 1; and 260.191, subdivision 1e;*

*(10) meet all standards and provide all mental health services as required in sections 245.487 to 245.4888 and ensure that the services provided are culturally appropriate;*

*(11) spend funds generated by the local children's mental health collaborative as required in sections 245.491 to 245.496;*

*(12) maintain base level funding for services for children with emotional or behavioral disturbances;*

*(13) explore methods and recommend changes needed at the state level to reduce duplication and promote coordination of services including the use of uniform forms for reporting, billing, and planning of services;*

*(14) provide documentation and meet reporting requirements requested by the state coordinating council and state agencies;*

*(15) negotiate contracts with state agencies and other funding sources for receipt of funds to further the goals of the local children's mental health collaborative;*

(16) in designing and implementing the integrated service system, encourage public-private partnerships to increase efficiency, reduce redundancy, and promote quality of care; and

(17) if the county participant of the local children's mental health collaborative is also a provider of child welfare targeted case management as authorized by the 1993 legislature, then federal reimbursement received by the county for child welfare targeted case management provided to the target population must be directed to the integrated fund.

Sec. 5. [245.494] [STATE LEVEL COORDINATION.]

Subdivision 1. [STATE COORDINATING COUNCIL.] The state coordinating council, in consultation with the integrated fund task force, shall:

(1) assist local children's mental health collaboratives in meeting the requirements of sections 245.491 to 245.496, by seeking consultation and technical assistance from national experts and coordinating presentations and assistance from these experts to local children's mental health collaboratives;

(2) assist local children's mental health collaboratives in identifying an economically viable initial target population;

(3) develop methods to reduce duplication and promote coordinated services including uniform forms for reporting, billing, and planning of services;

(4) by September 1, 1994, develop a model multiagency plan of care that can be used by local children's mental health collaboratives in place of an individual education plan, individual family community support plan, individual family support plan, and an individual treatment plan;

(5) assist in the implementation and operation of local children's mental health collaboratives by facilitating the integration of funds, coordination of services, and measurement of results, and by providing other assistance as needed;

(6) by September 1, 1993, develop a procedure for awarding start-up funds. Development of this procedure shall be exempt from chapter 14;

(7) develop procedures and provide technical assistance to allow local children's mental health collaboratives to integrate resources for children's mental health services with other resources available to serve children in the target population in order to maximize federal participation and improve efficiency of funding;

(8) ensure that local children's mental health collaboratives and the services received through these collaboratives meet the requirements set out in sections 245.491 to 245.496;

(9) identify base level funding from state and federal sources across systems and work with local children's mental health collaboratives to determine local base level funding;

(10) develop mechanisms to ensure that start-up funds and any additional federal funds generated by local children's mental health collaboratives are spent as required in sections 245.491 to 245.496;

(11) explore ways to access additional federal funds and enhance revenues available to address the needs of the target population;

(12) develop a mechanism for identifying the state share of funding for services to children in the target population and for making these funds available on a per capita basis for services provided through the local children's mental health collaborative to children in the target population. Each year beginning January 1, 1994, forecast the growth in the state share and increase funding for local children's mental health collaboratives accordingly;

(13) identify data to be collected and outcome measures to be reported by local children's mental health collaboratives;

(14) identify barriers to integrated service systems that arise from data practices and make recommendations including legislative changes needed in the data privacy act to address these barriers;

(15) annually review the expenditures of local children's mental health collaboratives to ensure that funding for services provided to the target population continues from sources other than the federal funds earned under sections 245.491 to 245.496 and that federal funds earned are spent consistent with sections 245.491 to 245.496; and

(16) provide the integrated fund task force with information requested.

Subd. 2. [STATE COORDINATING COUNCIL REPORT.] Each year, beginning February 1, 1995, the state coordinating council must submit a report to the legislature on the status of the local children's mental health collaboratives. The report must include the number of local children's mental health collaboratives, the amount and type of resources committed to local children's mental health collaboratives, the additional federal revenue received as a result of local children's mental health collaboratives, the services provided, the number of children served, outcome indicators, the identification of barriers to additional collaboratives and funding integration, and recommendations for further improving service coordination and funding integration.

Subd. 3. [DUTIES OF THE COMMISSIONER OF HUMAN SERVICES.] The commissioner of human services, in consultation with the integrated fund task force, shall:

(1) separate all medical assistance, general assistance medical care, and MinnesotaCare resources devoted to mental health services including inpatient, outpatient, medication management, services under the rehabilitation option, and related physician services from the total health capitation under section 256B.69 and develop a separate contract for managing these mental health benefits that will require all contractors to:

(i) provide mental health services eligible for medical assistance reimbursement;

(ii) meet performance standards established by the commissioner of human services including providing services consistent with the requirements and standards set out in sections 245.487 to 245.4888 and 245.491 to 245.496;

(iii) provide the commissioner of human services with data consistent with that collected under sections 245.487 to 245.4888; and

(iv) in service delivery areas where there is a local children's mental health collaborative for the target population defined by local children's mental health collaborative;

(A) participate in the local children's mental health collaborative;

(B) commit resources to local children's mental health collaboratives that are actuarially equivalent to resources received for the target population being served by local children's mental health collaboratives; and

(C) meet the requirements and the performance standards developed for local children's mental health collaboratives;

(2) develop a mechanism for integrating medical assistance resources for mental health service with resources for general assistance medical care, MinnesotaCare, and any other state and local resources available for services for children in the target population and develop a procedure for making these resources available for use by a local children's mental health collaborative;

(3) gather data needed to manage mental health care including evaluation data and data necessary to establish a separate capitation rate for children's mental health services if that option is selected;

(4) by January 1, 1994, develop a model contract for providers of mental health managed care that meets the requirements set out in sections 245.491 to 245.496 and 256B.69, and utilize this contract for all subsequent awards, and before January 1, 1995, the commissioner of human services shall not enter into or extend any contract under section 256B.69 that would impede the implementation of sections 245.491 to 245.496;

(5) by January 1, 1994, develop revenue enhancement or rebate mechanisms and procedures to certify expenditures made through local children's mental health collaboratives for mental health services that may be eligible for federal financial participation under medical assistance and other federal programs;

(6) provide technical assistance to help local children's mental health collaboratives certify local expenditures for federal financial participation;

(7) assist local children's mental health collaboratives in identifying an economically viable initial target population;

(8) seek all necessary federal waivers or approvals and recommend necessary legislation to enhance federal revenue, provide clinical and management flexibility, and otherwise meet the goals of local children's mental health collaboratives and request necessary state plan amendments to maximize the availability of medical assistance for activities undertaken by the local children's mental health collaborative;

(9) take all steps necessary to secure medical assistance reimbursement under the rehabilitation option for residential treatment wraparound services, therapeutic support of foster care, and for family community support services when these services are provided through a local children's mental health collaborative; and

(10) provide a mechanism to identify separately the reimbursement to a county for child welfare targeted case management provided to the target population for purposes of subsequent transfer by the county to the integrated fund.

Subd. 4. [RULEMAKING.] The commissioners of human services, health, corrections, and the state board of education shall adopt or amend rules as necessary to implement sections 245.491 to 245.496.



*Subd. 5. [RULE MODIFICATION.] The commissioner of human services shall modify the service and claiming requirements set out in Minnesota Rules, parts 9520.0900 to 9520.0926 and 9505.0323, as it pertains to mental health, to correspond with similar provisions proposed under the Family Preservation Investment Project-Federal Revenue Enhancement Initiative.*

**Sec. 6. [245.495] [ADDITIONAL FEDERAL REVENUES.]**

*Each local children's mental health collaborative shall report expenditures eligible for federal reimbursement in a manner prescribed by the commissioner of human services under section 256.01, subdivision 2, clause (17). The commissioner of human services shall pay all funds earned by each local children's mental health collaborative to the collaborative. Each local children's mental health collaborative must use these funds to expand the initial target population or to develop or provide mental health services through the local integrated service system to children in the target population. Funds may not be used to supplant funding for services to children in the target population.*

*For purposes of this section, "mental health services" are community-based, nonresidential services, which may include respite care, that are identified in the child's multiagency plan of care.*

**Sec. 7. [245.496] [IMPLEMENTATION.]**

*Subdivision 1. [APPLICATIONS FOR START-UP FUNDS FOR LOCAL CHILDREN'S MENTAL HEALTH COLLABORATIVES.] By September 1, 1993, the commissioner of human services shall publish the procedures for awarding start-up funds. Applications for local children's mental health collaboratives shall be obtained through the commissioner of human services and submitted to the state coordinating council. The application must state the amount of start-up funds requested by the local children's mental health collaborative and how the local children's mental health collaborative intends on using these funds.*

*Subd. 2. [DISTRIBUTION OF START-UP FUNDS.] By January 1, 1994, the state coordinating council must ensure distribution of start-up funds to local children's mental health collaboratives that meet the requirements established in section 245.493 and whose applications have been approved by the council. If the number of applications received exceed the number of local children's mental health collaboratives that can be funded, the funds must be geographically distributed across the state and balanced between the seven county metro area and the rest of the state. Preference must be given to collaboratives that include the juvenile court and correctional systems, multiple school districts, or other multiple government entities from the local system of care. In rural areas, preference must also be given to local children's mental health collaboratives that include multiple counties. Initially, no more than one collaborative per county may qualify for start-up funds.*

*Subd. 3. [SUBMISSION AND APPROVAL OF LOCAL COLLABORATIVE PROPOSALS FOR INTEGRATED SYSTEMS.] By December 31, 1994, a local children's mental health collaborative that received start-up funds must submit to the state coordinating council its proposal for creating and funding an integrated service system for children in the target population. Within 60 days of receiving the local collaborative proposal the state coordinating council must review the proposal and notify the local children's*

*mental health collaborative as to whether or not the proposal has been approved. If the proposal is not approved, the state coordinating council must indicate changes needed to receive approval.*

Sec. 8. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 32. [FAMILY COMMUNITY SUPPORT SERVICES.] Medical assistance covers family community support services as defined in section 245.4871, subdivision 17.*

Sec. 9. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 33. [THERAPEUTIC SUPPORT OF FOSTER CARE.] Medical assistance covers therapeutic support of foster care as defined in section 245.4871, subdivision 34.*

Sec. 10. Minnesota Statutes 1992, section 256B.0625, is amended by adding a subdivision to read:

*Subd. 34. [WRAPAROUND SERVICES.] Medical assistance covers wraparound services as defined in this chapter.*

Sec. 11. Laws 1991, chapter 292, article 6, section 57, subdivision 1, is amended to read:

**Subdivision 1. [STATEWIDE TASK FORCE.]** The commissioner of human services shall convene a task force to study the feasibility of establishing an integrated children's mental health fund. The task force shall consist of mental health professionals, county social services personnel, service providers, advocates, and parents of children who have experienced episodes of emotional disturbance. The task force shall also include representatives of the children's mental health subcommittee of the state advisory council and local coordinating councils established under Minnesota Statutes, sections 245.487 to 245.4887. The task force shall include the commissioners of education, health, and human services; two members of the senate; and two members of the house of representatives. The task force shall examine all possible county, state, and federal sources of funds for children's mental health with a view to designing an integrated children's mental health fund, improving methods of coordinating and maximizing all funding sources, and increasing federal funding. Programs to be examined shall include, but not be limited to, the following: medical assistance, title IV-E of the social security act, title XX social service programs, chemical dependency programs, education and special education programs, and, for children with a dual diagnosis, programs for the developmentally disabled. The task force may consult with experts in the field, as necessary. ~~The task force shall make a preliminary report and recommendations on local coordination of funding sources by January 1, 1992, to facilitate the development of local protocols and procedures under subdivision 2. The task force shall submit a final report to the legislature by January 1, 1993, with its findings and recommendations. By January 1, 1994, the task force shall provide a report to the legislature with recommendations of the task force for promoting integrated funding and services for children's mental health. The report must include the following recommendations: (1) how to phase in all delivery systems, including the juvenile court and correctional systems; (2) how to expand the initial target population so that the state eventually has a statewide integrated children's mental health service~~

*system that integrates funding regardless of source for children with emotional or behavioral disturbances or those at risk of suffering such disturbances; (3) possible outcome measures of the local children's mental health collaboratives; and (4) for any necessary legislative changes in the data practices act. The task force shall continue through June 30, 1995, and shall advise and assist the state coordinating council and local children's mental health collaboratives as required in sections 245.491 to 245.496.*

Sec. 12. Laws 1991, chapter 292, article 6, section 57, subdivision 3, is amended to read:

Subd. 3. [FINAL REPORT.] By February 15, 1993, the commissioner of human services shall provide a report to the legislature that describes the reports and recommendations of the statewide task force under subdivision 1 and of the local coordinating councils under subdivision 2, and provides the commissioner's recommendations for legislation or other needed changes.

Sec. 13. [APPROPRIATIONS.]

*Subdivision 1. \$100,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, to be administered by the state coordinating council for consultation and technical assistance to local children's mental health collaboratives as provided in section 5.*

*Subd. 2. \$60,000 in fiscal year 1994 and \$60,000 in fiscal year 1995 are appropriated from the general fund to the commissioner of human services for additional staff to be assigned to the medical assistance program.*

*Subd. 3. \$800,000 is appropriated from the general fund to the state coordinating council to be available for the biennium ending June 30, 1995, for start-up funds for local children's mental health collaboratives.*

*Subd. 4. \$150,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995; for three additional staff positions, one to be assigned to the state coordinating council, one to be assigned to the department of health, and one to remain at the department of human services.*

*Subd. 5. \$60,000 is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1995, for one staff person to be assigned to the integrated fund task force.*

Sec. 14. [EFFECTIVE DATE.]

*Sections 8 and 9 are effective January 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245."*

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 589: A bill for an act relating to the St. Anthony Falls heritage board; permitting the chair of the Hennepin board of commissioners to designate a representative to the board; amending Minnesota Statutes 1992, section 138.763, subdivision 1.

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

Page 1, line 14, delete the new language and strike the comma and insert "*or their designees;*"

Amend the title as follows:

Page 1, line 3, before "chair" insert "mayor of Minneapolis and the"

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 638: A bill for an act relating to Itasca 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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 485: A bill for an act relating to the city of Faribault; providing for the civil service status of certain officers.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 716: A bill for an act relating to Pine county; permitting the county board to extend certain temporary land use controls.

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

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

S.F. No. 317: A bill for an act relating to commerce; defining the responsibilities of ski area operators and skiers; defining the rights and

liabilities between skiers and between a skier and a ski area operator; proposing coding for new law as Minnesota Statutes, chapter 86C.

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

Page 1, delete section 1

Page 1, line 21, delete "1992" and insert "1993"

Page 2, line 18, before the semicolon, insert "*or other conditions*"

Page 2, line 20, delete "*or other objects*"

Page 7, line 14, delete "80C.05" and insert "86C.05"

Page 11, lines 12, 29, and 32, delete "*person*" and insert "*skier*"

Renumber the sections in sequence

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

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

S.F. No. 394: A bill for an act relating to financial institutions; permitting contracts between financial institutions to accept deposits and honor withdrawals; proposing coding for new law in Minnesota Statutes, chapter 47.

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

Page 1, line 14, delete "*if*" and insert "*provided*" and before "*contract*" insert "*proposed*"

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

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

S.F. No. 703: A bill for an act relating to drainage; defining as "*repair*" certain incidental straightening of tiles and use of larger tile sizes under certain circumstances; amending Minnesota Statutes 1992, section 103E.701, subdivision 1.

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

Page 1, after line 23, 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. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 550: A bill for an act relating to animals; prohibiting certain species; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 35.

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

Page 1, line 11, delete everything after "*means*"

Page 1, line 12, delete everything before "*Eurasian*"

Page 1, line 14, delete the semicolon

Page 1, delete lines 15 to 19

Page 1, line 20, delete everything before the period

Page 2, line 13, delete everything after "*officer*"

Page 2, line 14, delete "*animal health*"

Page 2, line 19, delete "*board of animal health, the*"

Page 2, line 20, delete the comma and delete "*their*" and insert "*its*"

Page 2, line 25, delete "*gross*"

Page 2; line 26, delete "EURASIAN WILD PIG" and insert "PROHIBITED SPECIES"

Page 2, lines 28, 32, 33, and 35, delete "*Eurasian wild pigs*" and insert "*prohibited species*"

Page 2, lines 29 and 30, delete "*Eurasian wild pigs*" and insert "*prohibited species*"

Page 2, line 31, delete "*June*" and insert "*August*"

Page 2, line 34, delete "*July*" and insert "*September*"

Page 3, line 4, delete "*Eurasian wild pigs*" and insert "*prohibited species*"

Page 3, after line 6, insert:

"Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective August 1, 1993, and apply to violations occurring on or after that date.*"

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

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

S.F. No. 708: A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

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

Page 1, line 9, after "offering" insert "certified".

Page 1, line 13, after "of" insert "certified" and delete "ten" and insert "14".

Page 1, after line 16, insert:

*"The organization must notify the commissioner, prior to any sales or distributions of certified nursery stock and must demonstrate to the commissioner, if requested, that such sales or distributions will be conducted on 14 or fewer days in the calendar year, as provided in clause (2)."*

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 659: A bill for an act relating to capital improvements; authorizing a grant to construct a noncommercial television tower; authorizing 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. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 23: A bill for an act relating to education; providing for a tuition free technical college program for certain Persian Gulf war era veterans; amending Minnesota Statutes 1992, section 136C.13, subdivision 4.

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

Page 1, lines 10 and 13, strike "tuition free"

Page 1, line 15, strike from "440" through page 1, line 16, to "board" and insert "115 credits in a technical college program"

Page 1, line 17, after the period, insert *"To be eligible for the tuition exemption, a veteran who is discharged before July 1, 1993, must enroll in a technical college by July 1, 1995, and a veteran who is discharged on or after July 1, 1993, must enroll in a technical college within two years of the date of discharge. All veterans enrolled under this program must maintain a minimum of six credits per quarter."*

Page 1, line 25, strike "six months" and insert "one year"

Page 2, after line 2, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

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

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

S.F. No. 236: A bill for an act relating to unemployment compensation; allowing benefits to certain individuals separated from employment to avoid domestic abuse; amending Minnesota Statutes 1992, section 268.09, 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. [DOMESTIC ABUSE AND UNEMPLOYMENT COMPENSATION: POLICY.]

*The commissioner of jobs and training shall develop a policy to address the issue of employees forced to leave employment due to domestic abuse as defined in Minnesota Statutes, section 518B.01, subdivision 2, paragraph (a). The commissioner shall ensure that the public and the commissioner of human services are fully involved in developing the policy. The commissioner shall report the policy to the legislature by January 15, 1994, along with any recommendations for legislation.”*

Delete the title and insert:

“A bill for an act relating to unemployment compensation; requiring a report on victims of domestic abuse and eligibility for benefits.”

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

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 663: A bill for an act relating to elections; authorizing the filing officer to keep from the ballot the name of a person who is a convicted felon, under guardianship, or found incompetent; amending Minnesota Statutes 1992, section 204B.10, by adding a subdivision.

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

Page 1, delete lines 10 to 21 and insert:

*“Subd. 6. [INELIGIBLE VOTER.] Upon receipt of a certified copy of a final judgment or order of a court of competent jurisdiction that a person who has filed an affidavit of candidacy or who has been nominated by petition has been convicted of treason or a felony, is under guardianship, or is insane or not mentally competent, the filing officer shall notify the person by certified mail at the address shown on the affidavit or petition, and shall not certify the person's name to be placed on the ballot. The actions of a filing officer under this subdivision are subject to judicial review under section 204B.44.”*

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred



S.F. No. 582: A bill for an act relating to motor vehicles; extending validity period of nonresident temporary vehicle permits; amending Minnesota Statutes 1992, section 168.091, subdivision 1.

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

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

S.F. No. 450: A bill for an act relating to human services; establishing a seven-day validity and nine-day replacement period for lost and stolen assistance warrants; authorizing an enhanced recoupment level in AFDC cases involving welfare fraud; integrating a client release as an inclusion in the combined application form; adding the food stamp program to the coverage of the financial transaction card fraud provision; creating and authorizing the use of commissioner's subpoenas; establishing the offense of food stamp trafficking; prescribing penalties; amending Minnesota Statutes 1992, sections 16A.45, by adding a subdivision; 256.73, subdivision 8; 256.983, subdivision 3; 393.07, subdivision 10; and 609.821, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1992, section 256.985.

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

Page 1, delete section 1

Page 3, line 30, after the period, insert "*Medical records that are not accessible to the commissioner shall not be made accessible through the use of this subpoena.*"

Page 7, line 24, delete "1, 3 to 5, and 8" and insert "2 to 4, and 7"

Page 7, line 25, delete "6 and 7" and insert "5 and 6"

Page 7, line 26, delete "2" and insert "1"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete from "establishing" through page 1, line 4, to "warrants;"

Page 1, lines 12 and 13, delete "16A.45, by adding a subdivision;"

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

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

S.F. No. 570: A bill for an act relating to state government; providing for appointments to advisory task forces, councils, and committees; administrative boards, and agencies; clarifying reporting requirements and term limits; amending Minnesota Statutes 1992, sections 15.014, subdivision 2; 15.0575, subdivision 2; 15.059, subdivision 2; 15.0597, subdivisions 2, 4, and 7; and 214.09, subdivision 2.

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

Pages 1 and 2, delete section 1

Page 5, line 34, delete "15.0575" and insert "15.0597"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 6 and 7, delete "15.014, subdivision 2;"

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

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

S.F. No. 566: A bill for an act relating to retirement; removing the requirement for periodic review of the rule of 90; repealing Minnesota Statutes 1992, section 356.85.

Reports the same back with the recommendation that 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 361: A bill for an act relating to public safety; extending existence of Minnesota advisory council on fire protection systems; amending Minnesota Statutes 1992, section 299M.02, subdivision 1.

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

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

S.F. No. 4: A bill for an act relating to retirement; providing an open appropriation for payment of state reimbursement for supplemental retirement benefits paid to volunteer firefighters; amending Minnesota Statutes 1992, section 424A.10, subdivision 3.

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

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

S.F. No. 409: A bill for an act relating to retirement; Minneapolis employees retirement fund; amending Minnesota Statutes 1992, sections 422A.05, subdivisions 1 and 2a; 422A.08, subdivision 5; and 422A.101, subdivision 1.

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

Page 1, line 22, before the period, insert “, except that any investment held by a fund on February 1, 1993, that is not readily tradeable on an established securities exchange may continue to be managed directly by the retirement board until the investment is converted to cash”

Page 2, line 9, before “In” insert “(a)”

Page 2, line 12, delete the new language and strike “investing” and after the stricken “money” insert “servicing assets”

Page 2, after line 21, insert:

“(b) Individuals authorized by the board to manage or invest the assets of the funds must act in a manner consistent with chapter 356A. In addition, these individuals must act in good faith and exercise that degree of judgment, skill, diligence, and care, under the circumstances then prevailing, that persons of prudence, discretion, and intelligence acting in a like capacity and familiar with the activity would exercise.”

Page 2, line 24, strike “or retired employee”

Page 2, line 26, strike “shall be allowed” and insert “is authorized, using the procedure in subdivision 5a, to purchase allowable service”

Page 2, line 28, before the period, insert “, providing that the individual has not received service credit and is not eligible to receive service credit for this period under any other plan or fund listed in section 356.30, subdivision 3”

Page 2, line 30, strike “or retired”

Page 2, line 36, delete the new language

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

Page 3, line 4, strike everything before the period and insert “amount specified in subdivision 5a”

Page 3, after line 4, insert:

“Sec. 4. Minnesota Statutes 1992, section 422A.08, is amended by adding a subdivision to read:

*Subd. 5a. [PURCHASE PAYMENT AMOUNT.] (a) To purchase credit for prior service under this section, there must be paid to the Minneapolis employees retirement fund an amount equal to the present value, on the date of payment, of the amount of the additional retirement annuity obtained by the purchase of the additional service credit. Calculation of this amount must be made using the applicable preretirement interest rate for the association specified in section 356.215, subdivision 4d, and the mortality table adopted for the fund. The calculation must assume continuous future service in the fund until, and retirement at, the age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a future salary history that includes annual salary increases at the applicable salary increase rate for the fund or association specified in section 356.215, subdivision 4d. The member must establish in the records of the fund proof of the service for which the purchase of prior service is requested. The manner*

of the proof of service must be in accordance with procedures prescribed by the executive director.

(b) Payment must be made in one lump sum.

(c) Payment of the amount calculated under this subdivision must be made by the member. However, the current or former governmental subdivision employer of the member may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent a year compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made."

Page 4, line 20, delete "4" and insert "5"

Renumber the sections in sequence

Amend the title as follows:

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

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

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

S.F. No. 20: A bill for an act relating to ambulance service personnel; establishing an ambulance service personnel longevity award and incentive program; imposing a driver's license surcharge; appropriating money; amending Minnesota Statutes 1992, section 171.06, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 144C.

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

Page 1, line 25, after "(a)" insert "Unless paragraph (c) applies,"

Page 2, after line 23, insert:

"(c) The commissioner of employee relations shall review the options within state government for the most appropriate administration of pension plans or similar arrangements for emergency service personnel and recommend to the governor the most appropriate future pension plan or nonpension plan administrative arrangement for this chapter. If the governor concurs in the recommendation, the governor shall transfer the future administrative responsibilities relating to this chapter to that administrative agency."

Page 4, line 15, delete everything after the first "the" and insert "appropriation under section 144C.11"

Page 4, line 16, delete "under section 171.06, subdivision 2c"

Page 4, line 34, delete "contributions" and insert "contribution"

Page 4, line 36, delete from "are" through page 5, line 1, to "2c." and insert "is the appropriation under section 144C.11."

Page 5, line 30, delete from "proceeds" through page 5, line 31, to "2c." and insert "appropriation under section 144C.11."

Page 6, line 12, delete from "the" through page 6, line 13, to "allocated." and insert "that year's appropriation under section 144C.11, after deduction of administrative expenses, also must be allocated."

Page 6, delete lines 24 to 27 and insert:

"(c) The appropriation under section 144C.11, after deduction of administrative expenses, must"

Page 8, after line 25, insert:

"Subd. 3. [NONASSIGNABILITY.] No entitlement or claim of a qualified ambulance service person or the person's beneficiary to an ambulance service personnel longevity award is assignable, or subject to garnishment, attachment, execution, levy, or legal process of any kind, except as provided in section 518.58, 518.581, or 518.611. The commissioner of health may not recognize any attempted transfer, assignment, or pledge of an ambulance service personnel longevity award."

Pages 8 and 9, delete section 11 and insert:

"Sec. 11. [144C.11] [ANNUAL APPROPRIATION.]

Annually, on September 1, \$1,560,000 is appropriated from the general fund to the ambulance service personnel longevity award and incentive trust account."

Page 9, line 7, before "APPROPRIATION" insert "FISCAL YEAR 1994"

Page 9, line 21, delete everything after "to" and insert "4; 5, subdivisions 1 and 2; 6; 7; 9; and 10 are effective on July 1,"

Page 9, line 23, after the period, insert "Sections 11 and 12 are effective on September 1, 1993."

Amend the title as follows:

Page 1, line 4, delete from "imposing" through page 1, line 7, to "subdivision;" and 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 60: A bill for an act relating to state employees; directing the commissioner of administration to establish a program to encourage employees to suggest ways to save money in the operation of state government; appropriating money; amending Minnesota Statutes 1992, section 16B.39, by adding a subdivision.

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

Page 1, line 15, after the period, insert "The agency shall meet and confer

with exclusive representatives of employees to develop suggestion programs that are appropriate for the agency."

Page 1, line 16, after "employee" insert "or group of employees"

Page 1, delete line 21 and insert "to pay for the bonus."

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

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

H.F. No. 31: A bill for an act relating to state government; providing for gender balance in multimember agencies; amending Minnesota Statutes 1992, section 15.0597, by adding subdivisions.

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

Page 1, line 9, delete "whose vacancies are filled under this section" and insert "in the executive, legislative, and judicial branches of state government"

Page 1, line 21, after the period, insert "Appointing authorities shall also consult the councils established by sections 3.922, 3.9223, 3.9225, and 3.9226."

Page 1, line 24, after "the" insert "greatest"

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

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

S.F. No. 629: A bill for an act relating to public employment; permitting interest arbitration on retired public employee group insurance coverage for units of essential employees; amending Minnesota Statutes 1992, section 179A.16, subdivision 9.

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

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

S.F. No. 729: A bill for an act relating to corrections; requiring the ombudsman to make biennial reports to the governor; amending Minnesota Statutes 1992, section 241.45, subdivision 2.

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

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

S.F. No. 65: A bill for an act relating to public safety; requiring mandatory notification of the state fire marshal in fires involving death; requiring autopsies on arson victims; extending the power to subpoena witnesses to arson investigation units in cities of the first class; deleting the intent element

for the crimes of possession of explosives, incendiary devices, and molotov cocktails; defining fire as a dangerous weapon under the criminal code; lowering the felony damage threshold for arson in the second and third degree and negligent fires; creating a felony for tampering with fire alarms when potential for bodily harm exists; allowing prosecutors to charge "arson for profit" rings under RICO statute; granting peace officer status to deputy state fire marshals; extending the statute of limitations for arson to five years; amending Minnesota Statutes 1992, sections 299F.04, by adding a subdivision; 299F.06; 299F.811; 299F.815, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 609.02, subdivision 6; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.686; 609.902, subdivision 4; 626.84, subdivision 1; and 628.26.

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 1992, section 299F.04, is amended by adding a subdivision to read:

*Subd. 5. [NOTIFICATION.] The officer making investigation of a fire resulting in a human death shall immediately notify the state fire marshal who may conduct an investigation to establish the origin and cause regarding the circumstance of the death. The state fire marshal shall immediately notify the appropriate coroner or medical examiner of a human death occurring as a result of a fire. The coroner or medical examiner shall perform an autopsy in the case of a human death as provided in section 390.11, subdivision 2a, or 390.32, subdivision 2a, as appropriate.*

Sec. 2. Minnesota Statutes 1992, section 299F.811, is amended to read:

**299F.811 [POSSESSION FOR CRIMINAL PURPOSE OF EXPLOSIVE OR INCENDIARY DEVICE.]**

Whoever possesses, manufactures, or transports any explosive compound, timing or detonating device for use with any explosive compound or incendiary device and either intends to use the explosive or device to commit a crime or knows that another intends to use the explosive or device to commit a crime is not licensed to so possess an explosive compound or device, 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. 3. Minnesota Statutes 1992, section 299F.815, subdivision 1, is amended to read:

**Subdivision 1. [UNLAWFUL PURPOSE POSSESSION.]** (a) Whoever shall possess, manufacture, transport, or store a chemical self-igniting device or a molotov cocktail with intent to use the same for any unlawful purpose 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) Whoever possesses, manufactures, transports, or stores a device or compound that, when used or mixed has the potential to cause an explosion, with intent to use the device or compound to damage property or cause injury, 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. 4. Minnesota Statutes 1992, section 390.11, is amended by adding a subdivision to read:

*Subd. 2a. [DEATHS CAUSED BY FIRE; AUTOPSIES.] The coroner shall conduct an autopsy in the case of any human death reported to the medical examiner by the state fire marshal under section 299F.04, subdivision 5, and apparently caused by fire.*

Sec. 5. Minnesota Statutes 1992, section 390.32, is amended by adding a subdivision to read:

*Subd. 2a. [DEATHS CAUSED BY FIRE; AUTOPSIES.] The medical examiner shall conduct an autopsy in the case of any human death reported to the medical examiner by the state fire marshal under section 299F.04, subdivision 5, and apparently caused by fire.*

Sec. 6. Minnesota Statutes 1992, section 609.02, subdivision 6, is amended to read:

**Subd. 6. [DANGEROUS WEAPON.]** "Dangerous weapon" means any firearm, whether loaded or unloaded, or any device designed as a weapon and capable of producing death or great bodily harm, or any combustible or flammable liquid or other device or instrumentality that, in the manner it is used or intended to be used, is calculated or likely to produce death or great bodily harm, or any fire that is used to produce death or great bodily harm.

As used in this subdivision, "flammable liquid" means **Class I flammable liquids as defined in section 9-108 of the Uniform Fire Code any liquid having a flash point below 100 degrees Fahrenheit and having a vapor pressure not exceeding 40 pounds per square inch (absolute) at 100 degrees Fahrenheit but does not include intoxicating liquor as defined in section 340A.101. As used in this subdivision, "combustible liquid" is a liquid having a flash point at or above 100 degrees Fahrenheit.**

Sec. 7. Minnesota Statutes 1992, section 609.562, is amended to read:

**609.562 [ARSON IN THE SECOND DEGREE.]**

Whoever unlawfully by means of fire or explosives, intentionally destroys or damages any building not covered by section 609.561, no matter what its value, or any other real or personal property valued at more than \$2,500 \$1,000, whether the property of the actor or another, 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. 8. Minnesota Statutes 1992, section 609.563, subdivision 1, is amended to read:

Subdivision 1. Whoever unlawfully by means of fire or explosives, intentionally destroys or damages any real or personal property may be sentenced to imprisonment for not more than five years or to *payment of a fine of \$10,000 or both, if:*

(a) the property intended by the accused to be damaged or destroyed had a value of more than \$300 but less than ~~\$2,500~~ \$1,000; or

(b) property of the value of \$300 or more was unintentionally damaged or destroyed but such damage or destruction could reasonably have been foreseen; or



(c) the property specified in clauses (a) and (b) in the aggregate had a value of \$300 or more.

Sec. 9. Minnesota Statutes 1992, section 609.576, subdivision 1, is amended to read:

**Subdivision 1. [NEGLIGENT FIRE RESULTING IN INJURY OR PROPERTY DAMAGE.]** Whoever is culpably negligent in causing a fire to burn or get out of control thereby causing damage or injury to another, and as a result thereof:

(a) a human being is injured and great bodily harm incurred, is guilty of a crime and may be sentenced to imprisonment of not more than five years or to *payment of a fine* of not more than \$10,000, or both; or

(b) property of another is injured, thereby, is guilty of a crime and may be sentenced as follows:

(1) to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, if the value of the property damage is under \$300;

(2) to imprisonment for not more than one year, or to *payment of a fine of \$3,000* or both, if the value of the property damaged is at least \$300 but is less than ~~\$10,000~~ \$2,500;

(3) to imprisonment for not ~~less than 90 days~~ nor more than three years, or to *payment of a fine of not more than \$5,000*, or both, if the value of the property damaged is ~~\$10,000~~ \$2,500 or more.

Sec. 10. Minnesota Statutes 1992, section 609.686, is amended to read:

**609.686 [FALSE FIRE ALARMS; TAMPERING WITH OR INJURING A FIRE ALARM SYSTEM.]**

*Subdivision 1.* Whoever intentionally gives a false alarm of fire, or unlawfully tampers or interferes with any *fire alarm system, fire protection device, or the station or signal box* of any fire alarm system or any auxiliary fire appliance, or unlawfully breaks, injures, defaces, or removes any such *system, device, box or station, or unlawfully breaks, injures, destroys, disables, renders inoperable,* or disturbs any of the wires, poles, or other supports and appliances connected with or forming a part of any fire alarm system or *fire protection device* or any auxiliary fire appliance is guilty of a misdemeanor.

*Subd. 2.* Whoever violates subdivision 1 by tampering and knows or has reason to know that the tampering creates the potential for bodily harm or the tampering results in bodily harm 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.

*Subd. 3.* For purpose of this section, tampering means to intentionally alter or change the fire alarm system, fire protective device, or the station or signal box of any fire alarm system of any auxiliary fire appliance, with knowledge that it will be disabled or rendered inoperable.

Sec. 11. Minnesota Statutes 1992, section 609.902, subdivision 4, is amended to read:

Subd. 4. [CRIMINAL ACT.] "Criminal act" means conduct constituting, or a conspiracy or attempt to commit, a felony violation of chapter 152, or a felony violation of section 297D.09; 299F.79; 299F.80; 299F.811; 299F.815; 299F.82; 609.185; 609.19; 609.195; 609.20; 609.205; 609.221; 609.222; 609.223; 609.2231; 609.228; 609.235; 609.245; 609.25; 609.27; 609.322; 609.323; 609.342; 609.343; 609.344; 609.345; 609.42; 609.48; 609.485; 609.495; 609.496; 609.497; 609.498; 609.52, subdivision 2, if the offense is punishable under subdivision 3, clause (3)(b) or clause 3(d)(v) or (vi); *section 609.52, subdivision 2, clause (4)*; 609.53; 609.561; 609.562; 609.582, subdivision 1 or 2; 609.67; 609.687; 609.713; 609.86; 624.713; or 624.74. "Criminal act" also includes conduct constituting, or a conspiracy or attempt to commit, a felony violation of section 609.52, subdivision 2, clause (3), (4), (15), or (16) if the violation involves an insurance company as defined in section 60A.02, subdivision 4, a nonprofit health service plan corporation regulated under chapter 62C, a health maintenance organization regulated under chapter 62D, or a fraternal benefit society regulated under chapter 64B.

Sec. 12. Minnesota Statutes 1992, section 628.26, is amended to read:

628.26 [LIMITATIONS.]

(a) Indictments or complaints for murder may be found or made at any time after the death of the person killed.

(b) Indictments or complaints for violation of section 609.42, subdivision 1, clause (1) or (2), shall be found or made and filed in the proper court within six years after the commission of the offense.

(c) Indictments or complaints for violation of sections 609.342 to 609.345 if the victim was under the age of 18 years at the time the offense was committed, shall be found or made and filed in the proper court within seven years after the commission of the offense or, if the victim failed to report the offense within this limitation period, within three years after the offense was reported to law enforcement authorities.

(d) Indictments or complaints for violation of sections 609.342 to 609.344 if the victim was 18 years old or older at the time the offense was committed, shall be found or made and filed in the proper court within seven years after the commission of the offense.

(e) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision 2, clause (3)(c) shall be found or made and filed in the proper court within six years after the commission of the offense.

(f) Indictments or complaints for violation of section 609.52, subdivision 2, clause (3), items (a) and (b), (4), (15), or (16), 609.631, or 609.821, where the value of the property or services stolen is more than \$35,000, shall be found or made and filed in the proper court within five years after the commission of the offense.

(g) Except for violations relating to false material statements, representations or omissions, indictments or complaints for violations of section 609.671 shall be found or made and filed in the proper court within five years after the commission of the offense.

(h) *Indictments or complaints for violation of sections 609.561 to 609.563, shall be found or made and filed in the proper court within five years after the commission of the offense.*

(i) In all other cases, indictments or complaints shall be found or made and filed in the proper court within three years after the commission of the offense; but the time during which the defendant shall not be an inhabitant of, or usually resident within, this state, shall not constitute any part of the limitations imposed by this section.

Sec. 13. [EFFECTIVE DATE.]

*Sections 2, 3, and 6 to 12 are effective August 1, 1993, and apply to crimes committed on or after that date.*"

Delete the title and insert:

"A bill for an act relating to public safety; requiring mandatory notification of the state fire marshal in fires involving death; requiring autopsies on all victims of death caused by fire; deleting the intent element for the crimes of possession of explosives, incendiary devices, and molotov cocktails; defining fire as a dangerous weapon under the criminal code; lowering the felony damage threshold for arson in the second and third degree and negligent fires; creating a felony for tampering with fire alarms when potential for bodily harm exists; allowing prosecutors to charge "arson for profit" rings under RICO statute; granting peace officer status to deputy state fire marshal investigators; extending the statute of limitations for arson to five years; amending Minnesota Statutes 1992, sections 299F.04, by adding a subdivision; 299F.811; 299F.815, subdivision 1; 390.11, by adding a subdivision; 390.32, by adding a subdivision; 609.02, subdivision 6; 609.562; 609.563, subdivision 1; 609.576, subdivision 1; 609.686; 609.902, subdivision 4; and 628.26."

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. 341 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.
341	265				

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. Metzen from the Committee on Governmental Operations and Reform, to which was referred the following appointment as reported in the Journal for January 19, 1993:

PUBLIC EMPLOYEES RETIREMENT ASSOCIATION  
EXECUTIVE DIRECTOR

Laurie Fiori Hacking

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 Care, to which was referred

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary commitments by health plans and providers to limit the rate of growth in total revenues; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, and 8; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353, subdivisions 2, 3, 5, and 6; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 62N; 62O; 256; and 295; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, subdivision 2.

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

Page 2, line 5, delete "*allows*" and insert "*allow*"

Page 3, line 5, delete "8" and insert "7"

Page 4, line 14, delete "*may*" and insert "*shall*"

Page 4, line 15, delete everything after the first comma

Page 4, line 16, delete everything before "*requirements*"

Page 4, line 20, delete the semicolon and insert ". *The commissioner may include in the rules the following:*"

Page 4, line 21, delete "(2)" and insert "(1)"

Page 4, line 23, delete "(3)" and insert "(2)"

Page 4, line 24, delete "(4)" and insert "(3)"

Page 4, delete lines 26 to 28.

Page 4, line 29, delete "(6)" and insert "(4)"

Page 4, line 31, delete "(7)" and insert "(5)"

Page 4, line 33, delete "(8)" and insert "(6)"

Page 4, line 34, delete "(9)" and insert "(7)"

Page 5, line 1, delete "(10)" and insert "(8)"

Page 5, line 3, delete "(11)" and insert "(9)"

Page 5, line 11, delete "(12)" and insert "(10)"

Page 5, line 12, delete "(13)" and insert "(11)"

Page 5, line 13, delete "(14)" and insert "(12)"

Page 5, line 14, delete "(15)" and insert "(13)"

Page 5, line 15, delete "(16)" and insert "(14)"

Page 5, line 16, delete "(17)" and insert "(15)"

Page 5, line 18, delete "(18)" and insert "(16)"

Page 5, line 21, delete "(19)" and insert "(17)"

Page 5, line 24, delete "(20)" and insert "(18)"

Page 5, line 30, delete "(21)" and insert "(19)"

Page 5, line 32, delete "(22)" and insert "(20)"

Page 5, line 34, delete "(23)" and insert "(21)"

Page 6, line 1, delete "(24)" and insert "(22)"

Page 6, line 9, delete "(25)" and insert "(23)"

Page 6, line 12, delete "(26)" and insert "(24)"

Pages 8 and 9, delete section 6 and insert:

"Sec. 6. [62N.06] [PERMITTED NETWORK STRUCTURE.]

*Subdivision 1. [NONPROFIT CORPORATION.] A corporation organized under chapter 317A may operate one or more integrated service networks. A corporation that operates one or more integrated service networks is governed by chapter 317A, except in the case of a conflict with this chapter, in which case this chapter governs. The corporation shall not engage in activities unrelated to integrated service networks, without the prior written approval of the commissioner. An entity that is not a corporation organized under chapter 317A shall not operate a network but may establish and own a corporation organized under chapter 317A to operate one or more networks.*

*Subd. 2. [SEPARATE ACCOUNTING REQUIRED.] A corporation oper-*

ating more than one integrated service network must maintain separate accounting and record keeping procedures, acceptable to the commissioner, for each integrated service network.

**Sec. 7. [62N.065] [ADMINISTRATIVE COST CONTAINMENT.]**

*Subdivision 1. [UNREASONABLE EXPENSES.] No integrated service network shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.*

*In an effort to achieve the stated purposes of sections 62N.01 to 62N.23, in order to safeguard the underlying nonprofit status of integrated service networks, and to ensure that the payment of integrated service network money to major participating entities results in a corresponding benefit to the integrated service network and its enrollees, when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the integrated service network have acted with good faith and in the best interests of the integrated service network in entering into, and performing under, a contract under which the integrated service network has incurred an expense. The commissioner has standing to sue, on behalf of an integrated service network, officers or trustees of the integrated service network who have breached their fiduciary duty in entering into and performing such contacts.*

*Subd. 2. [DATA ON PAYMENTS.] Integrated service networks shall keep on file in the offices of the integrated service network data on the payments, salaries, and other remuneration paid to for-profit firms, affiliates, or to persons, for administrative expenses, service contracts, and management of the integrated service network and shall make it available to the commissioner.*

*Subd. 3. [ADMINISTRATIVE COST REDUCTIONS.] The commissioner shall establish a plan that requires integrated service networks to lower their administrative expenses and costs for each of the five years 1994 through 1998. This plan shall require lower administrative expenses in order to reflect savings experienced by integrated service networks from lowered reporting requirements, lowered underwriting and marketing expenses, and other features of the integrated service network plan.*

*Subd. 4. [DISAPPROVAL OF CONTRACTS.] The commissioner shall review all payments, administrative contracts, service contracts, and other agreements to determine the reasonableness of the cost of the contracts or agreements and effect of the contracts or agreements on the price of the integrated service network to enrollees. If the commissioner determines that a contract or agreement is not reasonable, the commissioner shall disapprove the contract or agreement. The commissioner may request any information that is necessary to determine if costs are reasonable.*

*The commissioner shall give reasons for the disapproval in writing to the integrated service network. This notice shall state that a hearing will be granted within 20 days after a request in writing by the integrated service network."*

Page 10, line 5, delete "commissioner,"

Page 10, line 9, delete "by rules adopted"

Page 10, line 10, delete "under this chapter or"

Page 10, line 34, delete "or rules adopted under that section"

Page 11, line 23, after the period, insert "*The rules must be consistent with Minnesota Rules, parts 9505.5200 to 9505.5260, governing participation by health maintenance organizations in public health care programs.*"

Page 11, line 28, after "commissioner" insert a comma

Page 11, line 33, after "entity" insert a comma

Page 20, delete lines 28 to 36

Page 21, delete lines 1 to 13

Page 21, line 16, delete "An entity" and insert "A corporation" and delete "under"

Page 21, line 17, delete everything before "is"

Pages 21 and 22, delete section 18 and insert:

"Sec. 19. [62N.18] [INSOLVENCY.]

*Subdivision 1. [EFFECTS ON ENROLLEES.] Corporations that operate an integrated service network are not members of the life and health insurance guaranty association under chapter 61B. When a corporation operating a network becomes insolvent, its enrollees have the right to receive the same alternative coverage provided by the comprehensive health association under section 62D.181 to enrollees in insolvent health maintenance organizations.*

*Subd. 2. [NOTICE TO ENROLLEES.] Prospective enrollees in an integrated service network must be given, prior to their commitment to enroll, a written notice on a form approved by the commissioner describing the effects of, and their rights in the event of, an insolvency of the corporation operating the network."*

Page 22, line 23, delete "services" and insert "service"

Page 23, line 13, delete "and" and insert "or"

Page 23, line 14, delete "8-1/2" and insert "8-1/3"

Page 23, lines 22, 24, 28 and 31, delete "1" and insert "2"

Page 28, line 9, delete "25" and insert "26"

Renumber the sections of article 1 in sequence

Page 29, line 23, delete "eliminating" and insert "eliminate"

Page 32, line 4, delete everything after the first "the"

Page 32, line 5, delete "price index for urban consumers" and insert "health care financing administration forecast for the total growth in national health expenditures"

Page 32, line 7, delete "the change in"

Page 32, delete line 8

Page 32, line 9, delete "consumers" and insert "this forecast"

Page 32, line 13, after "publish" insert ":

(1)"

Page 32, line 15, before the period, insert "except for the year 1993, in which the limit shall be published by July 1, 1993;

(2) the quarterly change in the regional consumer price index for urban consumers; and

(3) the health care financing administration forecast for total growth in the national health care expenditures"

Page 33, line 13, after "rates" insert "or otherwise recoup overspending"

Page 33, line 14, after the period, insert "To the extent possible, the commissioner may reduce reimbursement rates or otherwise recoup overspending from individual providers who exceeded the spending growth limits."

Page 34, after line 18, insert:

"Sec. 5. [62J.045] [MEDICAL EDUCATION AND RESEARCH COSTS.]

*Subdivision 1. [PURPOSE.] The legislature finds that all health care stakeholders, as well as society at large, benefit from medical education and health care research. The legislature further finds that the cost of medical education and research should not be borne by a few hospitals or medical centers but should be fairly allocated across the health care system.*

*Subd. 2. [DEFINITION.] For purposes of this section, "health care research" means research that is not subsidized from private grants, donations, or other outside research sources but is funded by patient out-of-pocket expenses or a third party payer and has been approved by an institutional review board certified by the United States Department of Health and Human Services.*

*Subd. 3. [COST ALLOCATION FOR EDUCATION AND RESEARCH.] By January 1, 1994, the commissioner of health, in consultation with the health care commission and the health planning advisory committee, shall:*

*(1) develop mechanisms to gather data and to identify the annual cost of medical education and research conducted by hospitals, medical centers, or health maintenance organizations;*

*(2) determine a percentage of the annual rate of growth established under section 62J.04 to be allocated for the cost of education and research and develop a method to assess the percentage from each group purchaser;*

*(3) develop mechanisms to collect the assessment from group purchasers to be deposited in a separate education and research fund; and*

*(4) develop a method to allocate the education and research fund to specific health care providers.*

Sec. 6. Minnesota Statutes 1992, section 62J.09, is amended by adding a subdivision to read:



*Subd. 1a. [DUTIES RELATED TO COST CONTAINMENT.] (a) [ALLOCATION OF REGIONAL SPENDING LIMITS.] Regional coordinating boards may advise the commissioner regarding allocation of annual regional limits on the rate of growth for providers in the regulated all-payer system in order to:*

*(1) achieve community-wide and regional public health goals consistent with those established by the commissioner; and*

*(2) promote access to and equitable reimbursement of preventive and primary care providers.*

*(b) [TECHNICAL ASSISTANCE.] Regional coordinating boards, in cooperation with the commissioner, shall provide technical assistance to parties interested in establishing or operating an integrated service network within the region. This assistance must complement assistance provided by the commissioner under section 62N.23."*

Page 35, line 26, delete "resource center" and insert "clearinghouse"

Page 40, line 11, delete "13" and insert "15"

Renumber the sections of article 3 in sequence

Page 40, line 36, delete the comma

Page 41, line 36, delete "REPORTS" and insert "REPORT"

Page 46, line 7, delete "nonintegrated service network" and insert "regulated all-payer"

Pages 47 and 48, delete section 9

Page 51, line 8, before the comma, insert "but excluding Chisago, Isanti, and Sherburne counties"

Page 65, line 31, delete "62J.2922" and insert "62J.2921"

Page 66, line 7, delete "62J.2922" and insert "62J.2921"

Page 67, lines 27 and 36, delete "62J.2922" and insert "62J.2921"

Page 80, line 6, delete "section" and insert "sections"

Page 80, line 7, before the comma, insert "and 62J.29"

Page 80, line 15, delete everything after the period

Page 80, delete line 16

Page 84, line 9, after the period, insert "A health carrier shall, at the time of first issuance or renewal of a health benefit plan on or after July 1, 1993, credit against any preexisting condition limitation or exclusion permitted under this section, the time period prior to July 1, 1993, during which an eligible employee or dependent was covered by qualifying existing coverage or qualifying prior coverage, if the person has maintained continuous coverage."

Page 87, after line 11, insert:

"Sec. 9. [REPEALER.]

Minnesota Statutes 1992, section 62L.09, subdivision 2, is repealed."

Page 87, line 13, delete "8" and insert "9"

Renumber the sections of article 8 in sequence

Page 92, line 12, after the period, insert "A health carrier shall, at the time of first issuance or renewal of a health plan on or after July 1, 1993, credit against any preexisting condition limitation or exclusion permitted under this section, the time period prior to July 1, 1993, during which the person was covered by qualifying existing coverage or qualifying prior coverage, as defined in section 62L.02, if the person has maintained continuous coverage."

Page 95, line 14, delete "subdivision 2,"

Page 95, after line 14, insert:

"Subdivision 1. [COVERED HEALTH SERVICES.] "Covered health services" means the health services reimbursed under chapter 256B, with the exception of inpatient hospital services, special education services, private duty nursing services, orthodontic services, medical transportation services, personal care assistant and case management services, hospice care services, nursing home or intermediate care facilities services, inpatient mental health services, outpatient mental health services in excess of \$1,000 per adult enrollee and \$2,500 per child enrollee per 12-month eligibility period, and chemical dependency services. Outpatient mental health services covered under the health right plan are limited to diagnostic assessments, psychological testing, explanation of findings, and individual, family, and group psychotherapy. Medication management by a physician is not subject to the \$1,000 and \$2,500 limitations on outpatient mental health services. Covered health services shall be expanded as provided in this section for enrollees eligible under section 256.9354, subdivisions 2, 3, 4, and 5. Covered health services for enrollees eligible under section 256.9354, subdivision 1, shall continue as provided in this subdivision."

Page 96, delete lines 2 and 3

Page 96, delete lines 24 and 25 and insert:

"Subd. 4. [EMERGENCY MEDICAL TRANSPORTATION SERVICES.] Beginning July 1, 1993, covered health services shall include emergency medical transportation services."

Page 96, delete lines 32 and 33

Page 97, after line 13, insert:

"Sec. 3. Minnesota Statutes 1992, section 256.9354, subdivision 1, is amended to read:

Subdivision 1. [CHILDREN.] "Eligible persons" means children who are ~~one year~~ 18 months of age or older but less than 18 years of age who have gross family incomes that are equal to or less than 185 percent of the federal poverty guidelines and who are not eligible for medical assistance under chapter 256B and who are not otherwise insured for the covered services. The period of eligibility extends from the first day of the month in which the ~~child's first birthday occurs~~ child becomes 18 months old to the last day of the month in which the child becomes 18 years old. Eligibility for ~~the health right plan~~ MinnesotaCare shall be expanded as provided in subdivisions 2 to 5. Under subdivisions 2 to 5, parents who enroll in the health right plan must also

enroll their children and dependent siblings, if the children and their dependent siblings are eligible. Children and dependent siblings may be enrolled separately without enrollment by parents. However, if one parent in the household enrolls, both parents must enroll, unless other insurance is available. If one child from a family is enrolled, all children must be enrolled, unless other insurance is available. Families cannot choose to enroll only certain uninsured members. For purposes of this section, a "dependent sibling" means an unmarried child who is a full-time student under the age of 25 years who is financially dependent upon a parent. Proof of school enrollment will be required.

Sec. 4. Minnesota Statutes 1992, section 256.9354, subdivision 4, is amended to read:

Subd. 4. [FAMILIES WITH CHILDREN; ELIGIBILITY BASED ON PERCENTAGE OF INCOME PAID FOR HEALTH COVERAGE.] Beginning January 1, 1993, "eligible persons" means children, parents, and dependent siblings residing in the same household who are not eligible for medical assistance under chapter 256B. These persons are eligible for coverage through the health right plan but *MinnesotaCare* and who are eligible under subdivisions 2, 3, 4, or 5 must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the health right plan. Individuals who initially enroll in the health right plan under the eligibility criteria in this subdivision remain eligible for the health right plan, regardless of age, place of residence within Minnesota, or the presence or absence of children in the same household, as long as all other eligibility requirements are met and continuous enrollment in the health right plan or medical assistance is maintained.

Sec. 5. Minnesota Statutes 1992, section 256.9356, subdivision 1, is amended to read:

Subdivision 1. [ENROLLMENT FEE.] ~~Until October 1, 1992,~~ An annual enrollment fee of \$25, not to exceed \$150 per family, is required from eligible persons for covered health services ~~all enrollees eligible under section 256.9354, subdivision 1.~~

Sec. 6. Minnesota Statutes 1992, section 256.9356, subdivision 2, is amended to read:

Subd. 2. [PREMIUM PAYMENTS.] ~~Beginning October 1, 1992,~~ The commissioner shall require health right plan *MinnesotaCare* enrollees to pay a premium based on a sliding scale, as established under section ~~256.9357~~ 256.9358. Applicants who are eligible under section 256.9354, subdivision 1, are exempt from this requirement. ~~until July 1, 1993, if the application is received by the health right plan staff on or before September 30, 1992.~~ ~~Before July 1, 1993,~~ These individuals shall continue to pay the annual enrollment fee required by subdivision 1.

Sec. 7. Minnesota Statutes 1992, section 256.9357, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] Families and individuals who ~~enroll on or after October 1, 1992,~~ are eligible for subsidized premium payments based on a sliding scale under section 256.9358 only if the family or individual meets the requirements in subdivisions 2 and 3. ~~Children already~~

enrolled in the health right plan as of September 30, 1992, are eligible for subsidized premium payments without meeting these requirements, as long as they maintain continuous coverage in the health right plan or medical assistance.

Families and individuals who initially enrolled in the health right *MinnesotaCare* plan under section 256.9354, and whose income increases above the limits established in section 256.9358, may continue enrollment and pay the full cost of coverage."

Page 98, after line 30, insert:

"Sec. 9. Minnesota Statutes 1992, section 256B.057, subdivision 1, is amended to read:

Subdivision 1. [PREGNANT WOMEN AND INFANTS.] An infant less than ~~one year~~ 18 months of age or a pregnant woman who has written verification of a positive pregnancy test from a physician or licensed registered nurse, is eligible for medical assistance if countable family income is equal to or less than 185 275 percent of the federal poverty guideline for the same family size. Eligibility for a pregnant woman or infant less than ~~one year of age~~ 18 months old under this subdivision must be determined without regard to asset standards established in section 256B.056, subdivision 3.

An infant born on or after January 1, 1991, to a woman who was eligible for and receiving medical assistance on the date of the child's birth shall continue to be eligible for medical assistance without redetermination until the ~~child's first birthday~~ child is 18 months of age, as long as the child remains in the woman's household.

*Women and infants who are eligible under this subdivision and whose countable family income is equal to or greater than 185 percent of the federal poverty guideline for the same family size shall be required to pay a premium for medical assistance coverage based on a sliding scale as established under section 256.9358.*

Sec. 10. [DEMONSTRATION WAIVER.]

*The commissioner of human services shall seek a demonstration waiver to allow the state to charge the premium as described in section 5.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective July 1, 1993. Section 10 is effective July 1, 1993, or after the effective date of the waiver referred to in section 6, whichever is later."*

Renumber the sections of article 10 in sequence

Page 106, line 28, delete "or" and insert a comma and before the period, insert ", or a nationally recognized health care related society"

Page 108, after line 26, insert:

"Sec. 4. Minnesota Statutes 1992, section 62J.34, subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] The commissioner of health, after receiving the advice and recommendations of the Minnesota health care commission, may approve practice parameters that are endorsed, developed, or revised by the health care analysis unit. The commissioner is exempt from the rulemaking requirements of chapter 14 when approving practice parameters approved by the federal agency for health care policy and research, practice parameters adopted for use by a national medical society, or a national medical specialty society, or a nationally recognized health care related society. The commissioner shall use rulemaking to approve practice parameters that are newly developed or substantially revised by the health care analysis unit. Practice parameters adopted without rulemaking must be published in the State Register."

Page 109, delete section 5

Renumber the sections of article 13 in sequence

Page 114, line 30, delete "all"

Page 114, line 31, after "contracts" insert "regulated under chapter 60A, 62A, 62C, 62D, 62H, or 64B"

Page 115, line 1, delete "All" and insert "Such"

Page 115, delete lines 2 and 3

Page 115, line 4, delete "64B, or 62H,"

Page 115, line 6, delete "to the extent"

Page 115, line 7, delete "allowed under federal law"

Page 117, after line 12, insert:

"\$. . . . . is appropriated from the health care access fund to the regional coordinating boards for the biennium ending July 1, 1995, for the purposes of Minnesota Statutes, section 62J.09, subdivision 1a."

Amend the title as follows:

Page 1, line 9, after "voluntary" insert "public"

Page 1, line 10, delete "permitting"

Page 1, line 11, delete "expedited rulemaking;"

Page 1, line 19, delete the first "and" and before the semicolon, insert "and by adding a subdivision"

Page 1, line 22, after the second semicolon, insert "62J.34, subdivision 2;"

Page 1, line 30, delete the second comma and insert a semicolon

Page 1, line 31, delete "subdivisions 2, 3, 5, and 6;" and insert "256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1;" and after "3;" insert "256B.057, subdivision 1;"

Page 1, line 37, delete "62N; 62O;" and before "repealing" insert "proposing coding for new law in Minnesota Statutes, chapter 62N; and 62O;"

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 608, 589, 638, 485, 716, 394, 703, 236, 663, 582, 570, 361, 409, 629, 729 and 65 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 31 and 341 were read the second time.

**MOTIONS AND RESOLUTIONS**

Ms. Hanson moved that the name of Mr. Langseth be added as a co-author to S.F. No. 131. The motion prevailed.

Mr. Sams moved that his name be stricken as a co-author to S.F. No. 278. The motion prevailed.

Mr. Murphy moved that the name of Mr. Benson, D.D. be added as a co-author to S.F. No. 359. The motion prevailed.

Mr. Morse moved that the names of Messrs. Stumpf and Terwilliger be added as co-authors to S.F. No. 545. The motion prevailed.

Mr. Merriam moved that the name of Mr. Marty be added as a co-author to S.F. No. 612. The motion prevailed.

Mr. Cohen moved that the name of Mr. Merriam be added as a co-author to S.F. No. 674. The motion prevailed.

Mr. Sams moved that his name be stricken as a co-author to S.F. No. 710. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Larson be added as a co-author to S.F. No. 719. The motion prevailed.

Mr. Moe, R.D. moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 747. The motion prevailed.

Mr. Bertram moved that the names of Mr. Moe, R.D. and Ms. Johnson, J.B. be added as co-authors to S.F. No. 771. The motion prevailed.

Mr. Spear moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 776. The motion prevailed.

Mr. Spear moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 783. The motion prevailed.

Ms. Krentz moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 784. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Murphy be added as a co-author to S.F. No. 855. The motion prevailed.

Ms. Lesewski moved that her name be stricken as a co-author to S.F. No. 863. The motion prevailed.

Ms. Hanson moved that the name of Mr. McGowan be added as a co-author to S.F. No. 893. The motion prevailed.

Mr. Metzen moved that his name be stricken as a co-author to S.F. No. 901. The motion prevailed.

Ms. Ranum moved that the names of Mses. Berglin and Reichgott be added as co-authors to S.F. No. 977. The motion prevailed.

Mr. Kelly moved that S.F. No. 310 be withdrawn from the Committee on Metropolitan and Local Government and returned to its author. The motion prevailed.

Ms. Reichgott introduced—

Senate Resolution No. 31: A Senate resolution honoring Saint Therese Home on the occasion of its 25th anniversary.

Referred to the Committee on Rules and Administration.

### CALENDAR

H.F. No. 29: A bill for an act relating to child care; extending the prohibition on smoking to family day care providers; updating the reference to the rule governing child care centers; amending Minnesota Statutes 1992, section 144.414, 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 5, as follows:

Those who voted in the affirmative were:

Anderson	Finn	Laidig	Murphy	Runbeck
Beckman	Flynn	Langseth	Neuville	Sams
Belanger	Hanson	Larson	Novak	Solon
Benson, D.D.	Hottinger	Lessard	Oliver	Spear
Benson, J.E.	Johnson, D.E.	Luther	Olson	Stevens
Berg	Johnson, D.J.	Marty	Pappas	Stumpf
Berglin	Johnson, J.B.	McGowan	Pariseau	Terwilliger
Bertram	Kelly	Merriam	Piper	Vickerman
Betzold	Kiscaden	Metzen	Price	Wiener
Chandler	Knutson	Moe, R.D.	Ranum	
Cohen	Krentz	Mondale	Reichgott	
Dille	Kroening	Morse	Riveness	

Those who voted in the negative were:

Day	Johnston	Lesewski	Robertson	Samuelson
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So the bill passed and its title was agreed to.

S.F. No. 97: A bill for an act relating to health; clean indoor air; permitting the use of tobacco in public schools as part of a traditional Indian spiritual or cultural ceremony; amending Minnesota Statutes 1992, sections 144.4165; and 609.685, 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 56 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Krentz	Murphy	Sams
Anderson	Flynn	Kroening	Neuville	Solon
Beckman	Frederickson	Laidig	Novak	Spear
Belanger	Hanson	Larson	Pappas	Stevens
Benson, D.D.	Hottinger	Luther	Piper	Stumpf
Benson, J.E.	Janezich	Marty	Pogemiller	Terwilliger
Berglin	Johnson, D.E.	McGowan	Price	Vickerman
Bertram	Johnson, D.J.	Merriam	Ranum	Wiener
Betzold	Johnson, J.B.	Metzen	Reichgott	
Chandler	Kelly	Moe, R.D.	Riveness	
Cohen	Kiscaden	Mondale	Robertson	
Dille	Knutson	Morse	Runbeck	

Those who voted in the negative were:

Berg	Johnston	Lesewski	Oliver	Pariseau
Day	Langseth	Lessard	Olson	Samuelson

So the bill passed and its title was agreed to.

S.F. No. 275: A bill for an act relating to criminal procedure; venue of actions for illegal consumption of alcoholic beverages by minors; amending Minnesota Statutes 1992, sections 340A.503, subdivision 1, and by adding a subdivision; and 340A.902.

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

Mr. Samuelson voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 146: A bill for an act relating to financial institutions; state banks; regulating the acquisition of a bank or savings association for operation as a detached facility; amending Minnesota Statutes 1992, section 49.34, 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 59 and nays 7, as follows:



Those who voted in the affirmative were:

Anderson	Dille	Kiscaden	Mondale	Ranum
Beckman	Finn	Knutson	Morse	Reichgott
Belanger	Flynn	Krentz	Murphy	Riveness
Benson, D.D.	Frederickson	Laidig	Neuville	Robertson
Benson, J.E.	Hanson	Langseth	Novak	Runbeck
Berglin	Hottinger	Lesewski	Oliver	Solon
Bertram	Janezich	Lessard	Olson	Spear
Betzold	Johnson, D.E.	Luther	Pappas	Stevens
Chandler	Johnson, D.J.	Marty	Pariseau	Stumpf
Chmielewski	Johnson, J.B.	McGowan	Piper	Terwilliger
Cohen	Johnston	Merriam	Pogemiller	Wiener
Day	Kelly	Metzen	Price	

Those who voted in the negative were:

Adkins	Kroening	Sams	Samuelson	Vickerman
Berg	Larson			

So the bill passed and its title was agreed to.

S.F. No. 186: A bill for an act relating to marriage dissolution; requiring more information on the notice to a public authority; amending Minnesota Statutes 1992, 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	Finn	Kroening	Morse	Riveness
Anderson	Flynn	Laidig	Murphy	Robertson
Beckman	Frederickson	Langseth	Neuville	Runbeck
Belanger	Hanson	Larson	Novak	Sams
Benson, D.D.	Hottinger	Lesewski	Oliver	Samuelson
Benson, J.E.	Janezich	Lessard	Olson	Solon
Berg	Johnson, D.E.	Luther	Pappas	Spear
Berglin	Johnson, J.B.	Marty	Pariseau	Stevens
Bertram	Johnston	McGowan	Piper	Stumpf
Betzold	Kelly	Merriam	Pogemiller	Terwilliger
Chandler	Kiscaden	Metzen	Price	Vickerman
Chmielewski	Knutson	Moe, R.D.	Ranum	Wiener
Cohen	Krentz	Mondale	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 273: A bill for an act relating to highways; changing description of legislative Route No. 279 in state trunk highway system after agreement to transfer part of old route to Dakota 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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 227: A bill for an act relating to human services; modifying adult foster care license requirements; amending Minnesota Statutes 1992, section 245A.11, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 419: A bill for an act relating to health care; modifying and making corrections to the health right act; amending Minnesota Statutes 1992, sections 43A.317, subdivisions 2, 7, and 10; 62A.011, subdivision 3; 62A.021, subdivision 1; 62A.65, subdivision 5; 62J.04, subdivisions 2, 3, 4, 5, 6, and 7; 62J.09, subdivisions 1, 2, and 6; 62J.15, subdivision 2; 62J.17, subdivisions 2, 4, 5, and 6; 62J.19; 62J.23; 62J.29, subdivisions 1 and 4; 62J.30, subdivisions 4, 7, 8, and 10; 62J.31, subdivisions 2 and 3; 62J.32, subdivisions 1 and 4; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 8, 11, 15, and 16, and by adding a subdivision; 62L.03, subdivisions 2 and 5; 62L.05, subdivisions 1, 4, and 10; 62L.09, subdivision 2; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 1, 2, 3, 4, 5, 6, 7, and 9; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.17, subdivisions 1 and 4; 62L.19; 62L.20, subdivisions 1 and 2; 144.147, subdivision 4; 144.1481, subdivision 1; 256.045, subdivision 10; 256.9353, subdivisions 2, 6, and by adding a subdivision; 256.9354; 256.9355, subdivision 3; 256.9356, subdivision 2; 256.9357; 256B.0644; Laws 1992, chapter 549, articles 1, section 15; 2, sections 24 and 25; 3, section 24; and 4, section 18; proposing coding for new law in Minnesota Statutes, chapter

62J; repealing Minnesota Statutes 1992, sections 62J.05, subdivision 5; 62J.09, subdivision 3; and 62J.21.

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

So the bill passed and its title was agreed to.

S.F. No. 300: A bill for an act relating to local government; permitting sheriff civil service commissions to expand eligible lists in certain circumstances; amending Minnesota Statutes 1992, section 387.36.

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

So the bill passed and its title was agreed to.

S.F. No. 282: A bill for an act relating to medical assistance; modifying hospital reimbursement rates; amending Minnesota Statutes 1992, section 256.969, subdivisions 9, 20, and 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 67 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Ms. Reichgott in the chair.

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

H.F. No. 174, which the committee recommends to pass.

S.F. No. 444, which the committee recommends to pass with the following amendments offered by Messrs. Spear, Frederickson, Mrs. Benson, J.E. and Ms. Pappas:

Mr. Spear moved to amend S.F. No. 444 as follows:

Page 6, line 30, delete everything after "*facilities*" and insert a period

Page 6, delete lines 31 to 36 and insert "*This clause does not apply to secular business activities engaged in by the religious association, corporation, or society, the operation of which are not substantially related to the purposes for which the association, corporation, or society is organized.*"

The motion prevailed. So the amendment was adopted.

Mr. Spear then moved to amend S.F. No. 444 as follows:

Page 2, line 3, after the period, insert "*Sexual or affectional orientation*" does not include a physical or sexual attachment to children by an adult."

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S.F. No. 444 as follows:

Page 1, line 19, delete "*or affectional*"

Page 1, delete lines 23 to 27

Page 2, delete lines 1 to 3 and insert:

"*Subd. 45. [SEXUAL ORIENTATION.] "Sexual orientation" means an orientation for heterosexuality, bisexuality, or homosexuality, having a history of such an orientation, or being regarded as having such an orientation. "Sexual orientation" does not include an orientation involving minor children as sex objects.*"

Page 2, line 14, delete "*or affectional*" and delete the third "*or*"

- Page 2, line 15, delete "*affectional*"
- Page 5, line 5, delete "*or affectional*"
- Page 7, lines 8 and 9, delete "*or affectional*"
- Page 7, line 22, delete "*or affectional*"
- Page 7, lines 32 and 33, delete "*or affectional*"
- Page 8, line 11, delete "*or affectional*"
- Page 9, lines 5 and 6, delete "*or affectional*"
- Page 9, line 15, delete "*or affectional*"
- Page 11, lines 4, 9, and 26, delete "*or affectional*"
- Page 12, lines 5 and 6, delete "*or affectional*"
- Page 12, lines 12 and 13, delete "*or affectional*"
- Page 12, lines 16 and 17, delete "*or affectional*"
- Page 12, line 29, delete "*or affectional*"
- Page 13, lines 10 and 22, delete "*or affectional*"
- Page 14, line 3, delete "*or affectional*"
- Page 15, line 3, delete "*or affectional*"
- Page 21, line 9, delete "*or affectional*"
- Page 24, line 26, delete "*or affectional*"
- Page 25, lines 4, 9, and 28, delete "*or affectional*"
- Page 26, lines 10 and 32, delete "*or affectional*"
- Page 28, line 18, delete "*or affectional*"
- Page 29, lines 10 and 11, delete "*or affectional*"
- Page 29, lines 21 and 32, delete "*or affectional*"
- Page 29, line 36, delete "*or*"
- Page 30, line 1, delete "*affectional*"
- Page 30, lines 3, 7, and 11, delete "*or affectional*"

Amend the title as follows:

Page 1, lines 3 and 4, delete "*or affectional*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kroening	Neuville	Stevens
Belanger	Dille	Laidig	Oliver	Terwilliger
Benson, D.D.	Frederickson	Langseth	Olson	Vickerman
Benson, J.E.	Hanson	Larson	Pariseau	
Berg	Johnson, D.E.	Lesewski	Runbeck	
Bertram	Johnston	Lessard	Sams	
Chmielewski	Knutson	McGowan	Samuelson	

Those who voted in the negative were:

Anderson	Hottinger	Luther	Murphy	Reichgott
Beckman	Janezich	Marty	Novak	Riveness
Berglin	Johnson, D.J.	Merriam	Pappas	Robertson
Betzold	Johnson, J.B.	Metzen	Piper	Solon
Chandler	Kelly	Moe, R.D.	Pogemiller	Spear
Cohen	Kiscaden	Mondale	Price	Stumpf
Flynn	Krentz	Morse	Ranum	Wiener

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

Mr. Neville moved to amend S.F. No. 444 as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1992, section 363.01, is amended by adding a subdivision to read:

*Subd. 45. [SEXUAL ORIENTATION.] “Sexual orientation” means an orientation for heterosexuality, homosexuality, or bisexuality, or being regarded as having such an orientation. “Sexual orientation” does not include an orientation involving minor children as sex objects.*

Sec. 2. Minnesota Statutes 1992, section 363.03, is amended by adding a subdivision to read:

*Subd. 4b. [PUBLIC SAFETY SERVICES.] (a) All persons within the jurisdiction of this state have the right to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of their sexual orientation.*

*(b) It is an unfair discriminatory practice for a law enforcement agency, prosecuting authority, or fire department or similar public safety or emergency service to discriminate in the provision of its services to the public based on sexual orientation.”*

Delete the title and insert:

“A bill for an act relating to human rights; prohibiting discrimination in public safety services based on sexual orientation; amending Minnesota Statutes 1992, sections 363.01, by adding a subdivision; and 363.03, by adding a subdivision.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 38, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Laidig	Neville	Samuelson
Benson, D.D.	Frederickson	Langseth	Oliver	Stevens
Benson, J.E.	Hanson	Larson	Olson	Terwilliger
Bertram	Johnston	Lesewski	Pariseau	Vickerman
Chmielewski	Knutson	Lessard	Runbeck	
Day	Kroening	McGowan	Sams	

Those who voted in the negative were:

Anderson	Flynn	Krentz	Murphy	Riveness
Beckman	Hottinger	Luther	Novak	Robertson
Belanger	Janezich	Marty	Pappas	Solon
Berglin	Johnson, D.E.	Merriam	Piper	Spear
Betzold	Johnson, D.J.	Metzen	Pogemiller	Stumpf
Chandler	Johnson, J.B.	Moe, R.D.	Price	Wiener
Cohen	Kelly	Mondale	Ranum	
Finn	Kiscaden	Morse	Reichgott	

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

Mr. Frederickson moved to amend S.F. No. 444 as follows:

Page 1, line 19, delete "*or affectional*"

Page 1, line 23, delete "OR AFFECTIONAL" and delete "*or*"

Page 1, line 24, delete "*affectional*"

Page 2, line 14, delete "*or affectional*" and delete the third "*or*"

Page 2, line 15, delete "*affectional*"

Page 5, line 5, delete "*or affectional*"

Page 7, lines 8 and 9, delete "*or affectional*"

Page 7, line 22, delete "*or affectional*"

Page 7, lines 32 and 33, delete "*or affectional*"

Page 8, line 11, delete "*or affectional*"

Page 9, lines 5 and 6, delete "*or affectional*"

Page 9, line 15, delete "*or affectional*"

Page 11, lines 4, 9, and 26, delete "*or affectional*"

Page 12, lines 5 and 6, delete "*or affectional*"

Page 12, lines 12 and 13, delete "*or affectional*"

Page 12, lines 16 and 17, delete "*or affectional*"

Page 12, line 29, delete "*or affectional*"

Page 13, lines 10 and 22, delete "*or affectional*"

Page 14, line 3, delete "*or affectional*"

Page 15, line 3, delete "*or affectional*"

Page 21, line 9, delete "*or affectional*"

Page 24, line 26, delete "*or affectional*"

Page 25, lines 4, 9, and 28, delete "*or affectional*"

Page 26, lines 10 and 32, delete "*or affectional*"

Page 28, line 18, delete "*or affectional*"

Page 29, lines 10 and 11, delete "*or affectional*"

Page 29, lines 21 and 32, delete "*or affectional*"

Page 29, line 36, delete "*or*"

Page 30, line 1, delete "*affectional*"

Page 30, lines 3, 7, and 11, delete "*or affectional*"

Amend the title as follows:

Page 1, lines 3 and 4, delete "*or affectional*"

The motion prevailed. So the amendment was adopted.

Mr. Frederickson then moved to amend the second Spear amendment to S.F. No. 444, adopted by the Senate March 18, 1993, as follows:

Page 1, lines 2 and 3, delete "or affectional"

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

Mrs. Benson, J.E. moved to amend S.F. No. 444 as follows:

Page 6, after line 16, insert:

"Sec. 5. Minnesota Statutes 1992, section 363.02, subdivision 4, is amended to read:

Subd. 4. [PUBLIC ACCOMMODATIONS.] (a) The provisions of section 363.03, subdivision 3, relating to sex, shall not apply to such facilities as restrooms, locker rooms, and other similar places.

(b) The provisions of section 363.03, subdivision 3, relating to sexual orientation, do not apply to eligibility requirements for minors who are members of the boy scouts, girl scouts, or similar youth organizations formed for recreational or social purposes.

(c) The provisions of section 363.03, subdivision 3, relating to sexual orientation, do not apply to volunteers who directly supervise minors who are members of the boy scouts, girl scouts, or similar youth organizations formed for recreational, social, or counseling purposes."

Renumber the sections in sequence

Amend the title accordingly

Ms. Pappas moved to amend the Benson, J.E. amendment to S.F. No. 444 as follows:

Page 1, delete lines 9 to 13

Page 1, line 14, delete "(c)" and insert "(b)"

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

The question recurred on the adoption of the Benson, J.E. amendment, as amended. The motion prevailed. So the Benson, J.E. amendment, as amended, was adopted.

The question was taken on the recommendation to pass S.F. No. 444.

The roll was called, and there were yeas 37 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Luther	Novak	Robertson
Belanger	Janezich	Marty	Pappas	Solon
Berglin	Johnson, D.E.	Merriam	Piper	Spear
Betzold	Johnson, D.J.	Metzen	Pogemiller	Terwilliger
Chandler	Johnson, J.B.	Moe, R.D.	Price	Wiener
Cohen	Kelly	Mondale	Ranum	
Finn	Kiscaden	Morse	Reichgott	
Flynn	Krentz	Murphy	Riveness	



Those who voted in the negative were:

Adkins	Chmielewski	Knutson	Lessard	Runbeck
Beckman	Day	Kroening	McGowan	Sams
Benson, D.D.	Dille	Laidig	Neuville	Samuelson
Benson, J.E.	Frederickson	Langseth	Oliver	Stevens
Berg	Hanson	Larson	Olson	Stumpf
Bertram	Johnston	Lesewski	Pariseau	Vickerman

The motion prevailed. So S.F. No. 444 was recommended 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.

Mses. Ranum, Wiener, Messrs. Beckman, Larson and Hottinger introduced—

S.F. No. 997: A bill for an act relating to education; deleting the provision denying section 125.12 protection to licensed community education instructors; clarifying the meaning of "instruction offered on a noncredit basis" in excepting certain community education instructors from the definition of public employee; amending Minnesota Statutes 1992, sections 125.032, subdivision 2; and 179A.03, subdivision 14.

Referred to the Committee on Education.

Mr. Kelly, Mses. Anderson, Pappas, Messrs. Chandler and Cohen introduced—

S.F. No. 998: A bill for an act relating to the city of Saint Paul; providing for a housing rehabilitation program; authorizing the issuance of general obligation bonds.

Referred to the Committee on Metropolitan and Local Government.

Mses. Lesewski, Hanson, Olson and Mr. Johnson, D.E. introduced—

S.F. No. 999: A bill for an act relating to education; providing for a referendum in certain circumstances in independent school district No. 893, Echo.

Referred to the Committee on Education.

Messrs. Solon, Luther, Metzen, Ms. Wiener and Mr. Larson introduced—

S.F. No. 1000: A bill for an act relating to real estate; regulating fees, licenses, and agreements; requiring certain disclosures; providing for meetings of the real estate appraiser advisory board; changing terms; regulating fees and licenses; amending Minnesota Statutes 1992, sections 82.17, subdivision 4, and by adding subdivisions; 82.19, subdivision 5, and by adding subdivisions; 82.20, subdivisions 7, 8, and 15; 82.21, subdivision 1, and by adding a subdivision; 82.22, subdivisions 6 and 13; 82.24, subdivision 1; 82.27, subdivision 1; 82.33, subdivision 2, and by adding subdivisions; 82.34, subdivisions 3 and 4; 82B.02, by adding a subdivision; 82B.05,

subdivision 5; 82B.09, subdivision 1; 82B.11; 82B.14; 82B.19, subdivision 2; and 507.45, subdivision 4; Laws 1992, chapter 555, article 1, section 12; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 1992, section 82.22, subdivision 7; Minnesota Rules, part 2805.1200.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Hottinger introduced—

S.F. No. 1001: A bill for an act relating to education; authorizing independent school district No. 77, Mankato, to use community service fund revenue for certain capital expenditure purposes.

Referred to the Committee on Education.

Mr. Hottinger introduced—

S.F. No. 1002: A bill for an act relating to peace officers; authorizing deadly force policies that prohibit deadly force justified under state law; amending Minnesota Statutes 1992, section 626.8452, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Solon, Ms. Ranum and Mr. Janezich introduced—

S.F. No. 1003: A bill for an act relating to corrections; requiring the commissioner of corrections to award a grant to St. Louis county for a pilot program involving study of the automated probation reporting system; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 244.

Referred to the Committee on Crime Prevention.

Messrs. Benson, D.D.; Merriam; Frederickson; Stevens and Novak introduced—

S.F. No. 1004: A bill for an act relating to commerce; petroleum tank release compensation board; regulating reimbursement for consultant services; amending Minnesota Statutes 1992, section 115C.07, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Novak introduced—

S.F. No. 1005: A bill for an act relating to the city of New Brighton; permitting the city to acquire granular carbon without a bond.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Murphy, Betzold, Larson, Ms. Lesewski and Mr. Metzen introduced—

S.F. No. 1006: A bill for an act relating to veterans; authorizing the veterans homes board to define residency by board rule; amending Minnesota Statutes 1992, section 198.022.

Referred to the Committee on Veterans and General Legislation.

Messrs. Murphy, Betzold, Larson, Ms. Lesewski and Mr. Metzen introduced—

S.F. No. 1007: A bill for an act relating to veterans; authorizing the legislature to hear and determine claims by patients at the Minnesota veterans homes; amending Minnesota Statutes 1992, section 3.738, subdivision 1.

Referred to the Committee on Veterans and General Legislation.

Mr. Pogemiller, Ms. Krentz, Robertson, Messrs. Terwilliger and Stumpf introduced—

S.F. No. 1008: A bill for an act relating to education; appropriating money for matching grants for "male responsibility" pilot programs.

Referred to the Committee on Education.

Ms. Runbeck, Mr. Terwilliger, Ms. Olson, Messrs. Neuville and Oliver introduced—

S.F. No. 1009: A bill for an act relating to state government; creating a commission to study expense reduction in the operation of the legislature; appropriating money.

Referred to the Committee on Rules and Administration.

Ms. Kiscaden, Messrs. Benson, D.D.; Murphy; Morse and Ms. Piper introduced—

S.F. No. 1010: A bill for an act relating to transportation; appropriating money for a study of Rochester airport and for a study of high speed rail.

Referred to the Committee on Transportation and Public Transit.

Ms. Johnson, J.B.; Messrs. Merriam and Riveness introduced—

S.F. No. 1011: A bill for an act relating to the environment; providing that vessels transporting hazardous substances or oil must have a permit from the pollution control agency; establishing an inland waterway protection account; requiring that fees be paid by persons transporting hazardous substances or oil in vessels; providing for rulemaking; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 115E.

Referred to the Committee on Environment and Natural Resources.

Mr. Chandler, Ms. Piper and Berglin introduced—

S.F. No. 1012: A bill for an act relating to human services; prohibiting the buying or selling of food stamp coupons; amending Minnesota Statutes 1992, section 393.07, subdivision 10.

Referred to the Committee on Family Services.

Ms. Pappas introduced—

S.F. No. 1013: A bill for an act relating to the capitol area architectural and planning board; clarifying certain duties and powers of the board; amending

Minnesota Statutes 1992, section 15.50, subdivision 2, and by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Mr. Kelly introduced—

S.F. No. 1014: A bill for an act relating to peace officers; revising the complaint and investigation procedures of the peace officer standards and training board; amending Minnesota Statutes 1992, section 214.10, by adding subdivisions; repealing Minnesota Statutes 1992, section 214.10, subdivisions 4, 5, 6, and 7.

Referred to the Committee on Crime Prevention.

Messrs. Kelly and Kroening introduced—

S.F. No. 1015: A bill for an act relating to economic development; providing for community development corporations; appropriating money; amending Minnesota Statutes 1992, sections 116J.982; and 462A.21, by adding a subdivision; repealing Minnesota Statutes 1992, section 116J.982, subdivisions 6a, 8, and 9.

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

Ms. Johnson, J.B.; Messrs. Johnson, D.J.; Merriam and Frederickson introduced—

S.F. No. 1016: A bill for an act relating to the environment; changing provisions relating to waste tires; appropriating money; amending Minnesota Statutes 1992, sections 115A.90, by adding a subdivision; 115A.908, subdivision 3; 115A.912; 115A.913, subdivisions 1, 2, 4, 5, and by adding a subdivision; and 115A.914; repealing Minnesota Statutes 1992, section 115A.913, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Novak, Mses. Johnson, J.B. and Lesewski introduced—

S.F. No. 1017: A bill for an act relating to energy; changing dates that energy conservation improvement contributions are due; providing that contributions be based on utility's total retail revenues instead of gross operating revenues; easing restrictions on spending money from energy and conservation account; amending Minnesota Statutes 1992, section 216B.241, subdivisions 1a, 1b, and 2a.

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

Mr. Novak, Mses. Johnson, J.B. and Lesewski introduced—

S.F. No. 1018: A bill for an act relating to energy; eliminating the district heating loan program; repealing Minnesota Statutes 1992, section 216C.36; and Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380.

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

Mr. Benson, D.D.; Ms. Robertson, Mrs. Benson, J.E.; Messrs. Larson and Stevens introduced—

S.F. No. 1019: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; providing term limits for state offices.

Referred to the Committee on Ethics and Campaign Reform.

Mrs. Pariseau, Mr. Kelly, Ms. Johnston, Lesewski and Mrs. Adkins introduced—

S.F. No. 1020: A bill for an act relating to the environment; exempting newer motor vehicles from annual air pollution emissions inspections; amending Minnesota Statutes 1992, section 116.61, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Murphy, Ms. Johnson, J.B.; Lesewski; Anderson and Mr. Novak introduced—

S.F. No. 1021: A bill for an act relating to utilities; exempting wind-powered and solar-powered generating plants from certificate of need process; amending Minnesota Statutes 1992, section 216B.2421, subdivision 2.

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

Messrs. Murphy, Morse, Laidig, Solon and Ms. Krentz introduced—

S.F. No. 1022: A bill for an act relating to liquor; allowing off-sale of intoxicating liquor during limited hours on Sunday; amending Minnesota Statutes 1992, section 340A.504, subdivision 4.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Spear, Kelly and Cohen introduced—

S.F. No. 1023: A bill for an act relating to children; providing time periods for permanent dispositions involving children in need of protection or services; limiting multiple foster care placements; defining special efforts for relative searches; establishing standards for a finding of abandonment; amending Minnesota Statutes 1992, sections 257.071, by adding subdivisions; 257.072, subdivision 1; 259.455; 260.191, subdivision 2, and by adding a subdivision; and 260.221, subdivision 1.

Referred to the Committee on Family Services.

Messrs. Spear and McGowan introduced—

S.F. No. 1024: A bill for an act relating to crime; expanding the scope of the requirement that sex offenders provide a DNA specimen; amending Minnesota Statutes 1992, section 609.3461.

Referred to the Committee on Crime Prevention.

Mr. Chmielewski introduced—

S.F. No. 1025: A bill for an act relating to education; technical colleges; allowing the establishment of single-campus districts; amending Minnesota Statutes 1992, sections 136C.02, subdivisions 6, 8, 9, and by adding a subdivision; 136C.08, subdivisions 2 and 3; 136C.41, subdivision 1a; 136C.44; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; and 136C.69; proposing coding for new law in Minnesota Statutes, chapter 136C; repealing Minnesota Statutes 1992, sections 136C.68; and 136C.71.

Referred to the Committee on Education.

Mr. Mondale, Mses. Pappas, Reichgott and Berglin introduced—

S.F. No. 1026: A bill for an act relating to metropolitan core redevelopment grant program; providing for administration of the program by the commissioner of trade and economic development and specifying powers and duties; using certain fiscal disparities distribution money to fund the metropolitan core redevelopment grant program; appropriating money; amending Minnesota Statutes 1992, 473F.02, by adding subdivisions; 473F.07, subdivision 4; 473F.08, subdivisions 5 and 7a; proposing coding for new law in Minnesota Statutes, chapters 116J; and 473F.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Hottinger, Knutson and Luther introduced—

S.F. No. 1027: A bill for an act relating to public employees; setting salaries for administrative law judge supervisors, chief and assistant chief administrative law judges, and workers' compensation judges; amending Minnesota Statutes 1992, sections 15A.081, subdivision 1; 15A.083, subdivisions 6a, 7, and by adding a subdivision; and 43A.18, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Mr. Kelly introduced—

S.F. No. 1028: A bill for an act relating to juvenile court; reimbursement of county in certain juvenile cases; amending Minnesota Statutes 1992, section 260.251, subdivision 1.

Referred to the Committee on Crime Prevention.

Mr. Bertram introduced—

S.F. No. 1029: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 748, Sartell.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 1030: A bill for an act relating to retirement; judges' retirement fund; eliminating the offset of social security benefits for certain retired judges.

Referred to the Committee on Governmental Operations and Reform.

Mr. Johnson, D.J. introduced—

S.F. No. 1031: A bill for an act relating to taxation; property; providing for classification of certain unimproved property used to grow timber; amending Minnesota Statutes 1992, section 273.13, subdivision 33.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chandler, Price, Mondale, Luther and Solon introduced—

S.F. No. 1032: A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Flynn, Messrs. Hottinger and Marty introduced—

S.F. No. 1033: A bill for an act relating to health; clean indoor air act; regulating smoking in places of employment; amending Minnesota Statutes 1992, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, by adding a subdivision; 144.415; and 144.416.

Referred to the Committee on Health Care.

Messrs. Frederickson; Johnson, D.J.; Lessard and Janezich introduced—

S.F. No. 1034: A bill for an act relating to minerals; establishing and empowering a legislative task force on minerals; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Mr. Metzen introduced—

S.F. No. 1035: A bill for an act relating to criminal procedure; venue of actions against minors for illegal consumption of liquor; amending Minnesota Statutes 1992, section 340A.503, subdivision 1.

Referred to the Committee on Crime Prevention.

Messrs. Cohen, Beckman, Spear, Laidig and Kelly introduced—

S.F. No. 1036: A bill for an act relating to commerce; trade practices; regulating transfers and sales of recordings; prescribing penalties; amending Minnesota Statutes 1992, sections 325E.17; 325E.18; and 325E.19; proposing coding for new law in Minnesota Statutes, chapter 325E; repealing Minnesota Statutes 1992, section 325E.20.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Piper, Berglin, Ranum, Mr. Marty and Ms. Kiscaden introduced—

S.F. No. 1037: A bill for an act relating to human services; establishing grant programs for crisis nurseries and respite care; appropriating money.

Referred to the Committee on Family Services.

Messrs. Neuville, Kelly, Ms. Ranum and Mr. Murphy introduced—

S.F. No. 1038: A bill for an act relating to crimes; juveniles; establishing misdemeanor offense for juvenile with alcohol concentration greater than 0.02 to operate motor vehicle; providing for implied consent to test juvenile's blood, breath, or urine and making refusal to take test a crime; imposing penalties; amending Minnesota Statutes 1992, sections 169.121, subdivision 6; 169.123, subdivisions 2, 4, and 6; and 169.129; proposing coding for new law in Minnesota Statutes, chapter 169.

Referred to the Committee on Crime Prevention.

Mr. Solon introduced—

S.F. No. 1039: A bill for an act relating to public defenders; making district public defenders eligible for state health, life insurance, and dental benefits; amending Minnesota Statutes 1992, section 43A.24, subdivision 2.

Referred to the Committee on Crime Prevention.

Ms. Reichgott, Messrs. Mondale, Finn, Johnson, D.J. and Belanger introduced—

S.F. No. 1040: A bill for an act relating to taxation; providing that an annual decal fee is paid on vending machines and amusement devices in lieu of sales tax; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Neuville, Stevens, Ms. Lesewski and Johnston introduced—

S.F. No. 1041: A bill for an act relating to health; providing a woman considering abortion the right to certain information before giving consent; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health Care.

Messrs. McGowan, Kelly, Merriam and Laidig introduced—

S.F. No. 1042: A bill for an act relating to crimes; prohibiting plea bargaining in cases involving use of firearms unless certain disclosures are made; providing a civil penalty; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Mr. Neuville introduced—

S.F. No. 1043: A bill for an act relating to human services; limiting the downsizing of Faribault regional treatment center; amending Minnesota Statutes 1992, section 252.025, subdivision 4.

Referred to the Committee on Health Care.

Mr. Novak introduced—

S.F. No. 1044: A bill for an act relating to international affairs; establishing



a commission; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Governmental Operations and Reform.

Mses. Lesewski; Anderson; Johnson, J.B. and Mr. Dille introduced—

S.F. No. 1045: A bill for an act relating to economic development; repealing the authority of the department of trade and economic development to administer the workplace safety program; repealing Minnesota Statutes 1992, section 116J.661.

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

Ms. Pappas, Messrs. Cohen; Janezich; Moe, R.D. and Ms. Kiscaden introduced—

S.F. No. 1046: 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 Crime Prevention.

Mses. Reichgott, Krentz, Messrs. Betzold, Hottinger and Knutson introduced—

S.F. No. 1047: A bill for an act relating to lawyers; requesting the supreme court to adopt rules governing lawyer-client sexual relations.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 1048: A bill for an act relating to education; changing computations for purposes of sparsity and supplemental revenue; amending Minnesota Statutes 1992, section 124A.22, subdivisions 5 and 8.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1049: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Kittson county; authorizing private sale of certain other tax-forfeited land in Kittson county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Sams, Dille, Bertram, Berg and Stumpf introduced—

S.F. No. 1050: A bill for an act relating to state government; transferring the powers and duties of the board of water and soil resources to the commissioner of agriculture.

Referred to the Committee on Agriculture and Rural Development.

Mr. Chmielewski introduced—

S.F. No. 1051: A bill for an act relating to property tax aids; modifying disparity reduction aid to counties; extending the taconite homestead credit to certain property; amending Minnesota Statutes 1992, sections 273.134; 273.135, subdivisions 1, 3, and by adding a subdivision; 273.136, subdivision 2; 273.1398, subdivision 3; and 275.07, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mondale, Ms. Ranum, Messrs. Stumpf, Price and Neuville introduced—

S.F. No. 1052: A bill for an act relating to education; directing post-secondary institutions to disseminate data on remedial instruction to school districts; amending Minnesota Statutes 1992, section 13.32, subdivisions 3 and 6.

Referred to the Committee on Education.

Messrs. Mondale; Moe, R.D.; Luther; Chandler and Laidig introduced—

S.F. No. 1053: A bill for an act relating to state and local government; establishing the Minnesota information network; establishing the metropolitan public information network pilot program; authorizing rulemaking; proposing coding for new law as Minnesota Statutes, chapter 116S.

Referred to the Committee on Governmental Operations and Reform.

Ms. Wiener, Messrs. Pogemiller, Cohen and Morse introduced—

S.F. No. 1054: A bill for an act relating to state departments and agencies; providing for reports on advisory task forces committees and councils; providing for their expirations; eliminating certain advisory bodies; amending Minnesota Statutes 1992, sections 6.65; 15.059, subdivision 5, and by adding a subdivision; 16B.39, subdivision 1a; 41A.02, subdivision 1; 41A.04, subdivisions 2 and 4; 116J.975; 125.188, subdivision 3; 125.1885, subdivision 3; 129D.16; 148.235, subdivision 2; 246.017, subdivision 2; 246.56, subdivision 2; 256B.0629, subdivision 4; and 256B.433, subdivision 1; 299F.093, subdivision 1; repealing Minnesota Statutes 1992, sections 41.54; 41A.07; 43A.31, subdivision 4; 82.30, subdivision 1; 84.524, subdivisions 1 and 2; 85A.02, subdivision 4; 86A.10, subdivision 1; 116J.645; 116J.984, subdivision 11; 116N.05; 120.064, subdivision 6; 121.87; 145.93, subdivision 2; 148B.20, subdivision 2; 152.02, subdivision 11; 175.008; 184.23; 206.57, subdivision 3; 245.476, subdivision 4; 245.4885, subdivision 4; 256.9745; 256B.0629, subdivisions 1, 2, and 3; 256B.433, subdivision 4; 257.072, subdivision 6; 299F.092, subdivision 9; 299F.097; and 626.5592.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Metzen and Belanger introduced—

S.F. No. 1055: A bill for an act relating to transportation; establishing a paratransit demonstration project in Dakota county.

Referred to the Committee on Transportation and Public Transit.

Messrs. Betzold, Murphy and Vickerman introduced—

S.F. No. 1056: A bill for an act relating to taxation; providing that certain income earned for service in the armed forces is exempt from taxation; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

Referred to the Committee on Veterans and General Legislation.

Mses. Ranum, Pappas, Reichgott and Mr. Janezich introduced—

S.F. No. 1057: A bill for an act relating to education; providing for a comprehensive learning readiness program; appropriating money; amending Minnesota Statutes 1992, sections 121.831; and 124.2615, subdivision 3.

Referred to the Committee on Education.

Mr. Luther, Mses. Krentz; Hanson; Johnson, J.B. and Mr. Novak introduced—

S.F. No. 1058: A bill for an act relating to the Minnesota amateur sports commission; providing additional members; amending Minnesota Statutes 1992, section 240A.02, subdivision 1.

Referred to the Committee on Veterans and General Legislation.

Messrs. Solon; Johnson, D.J. and Chmielewski introduced—

S.F. No. 1059: A bill for an act relating to education; creating an additional equalization aid; appropriating money.

Referred to the Committee on Education.

Ms. Ranum, Mr. Spear, Ms. Anderson, Messrs. Kelly and McGowan introduced—

S.F. No. 1060: A bill for an act relating to crime; defining prior conviction for the purpose of sentencing penalty enhancement for assault in the fifth degree; amending Minnesota Statutes 1992, section 609.224, subdivision 2.

Referred to the Committee on Crime Prevention.

Mr. Luther, Mses. Hanson, Runbeck, Mr. Novak and Ms. Krentz introduced—

S.F. No. 1061: A bill for an act relating to alcoholic beverages; authorizing dispensing of liquor by an on-sale licensee at the National Sports Center in Blaine; amending Laws 1992, chapter 486, section 11.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Mondale, Ms. Flynn and Mr. McGowan introduced—

S.F. No. 1062: A bill for an act relating to metropolitan government; providing for coordination and consolidation of public mobile radio communications systems; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Metropolitan and Local Government.

Mses. Piper, Flynn, Messrs. Marty, Spear and Ms. Anderson introduced—

S.F. No. 1063: A bill for an act relating to crime prevention; firearms; authorizing cities in metropolitan counties and the metropolitan airports commission to adopt certain firearms regulations; amending Minnesota Statutes 1992, section 471.633.

Referred to the Committee on Crime Prevention.

Messrs. Morse, Hottinger, Finn and Mrs. Benson, J.E. introduced—

S.F. No. 1064: A bill for an act relating to retirement; alternative retirement coverage for certain state university and community college teachers; amending Minnesota Statutes 1992, section 352D.02, by adding a subdivision; and Laws 1990, chapter 570, article 10, section 7.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Lessard and Stumpf introduced—

S.F. No. 1065: A bill for an act relating to taxation; use tax; requiring operators of convention shows to collect use tax on brochures and printed material; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf and Lessard introduced—

S.F. No. 1066: A bill for an act relating to game and fish; providing a definition and authorizing fish in the defined condition to be brought into the state; providing a penalty; requiring notice; amending Minnesota Statutes 1992, sections 97A.015, by adding a subdivision; and 97A.531.

Referred to the Committee on Environment and Natural Resources.

Mr. Finn introduced—

S.F. No. 1067: A bill for an act relating to the city of Bemidji; permitting a local sales tax.

Referred to the Committee on Metropolitan and Local Government.

Mr. Price introduced—

S.F. No. 1068: A bill for an act relating to education; indicating that the legislature may specifically authorize a graduation rule after receiving an evaluation of outcome-based programs; amending Laws 1992, chapter 499, article 8, sections 32 and 33.

Referred to the Committee on Education.

Messrs. Solon; Johnson, D.J.; Janezich and Stevens introduced—

S.F. No. 1069: A bill for an act relating to human services; providing for the care and treatment of persons dislocated as the result of the closure of a regional treatment center; amending Minnesota Statutes 1992, section 246.0135.

Referred to the Committee on Health Care.

Messrs. Hottinger; Johnson, D.E.; Metzen; Novak and Neuville introduced—

S.F. No. 1070: A bill for an act relating to lawful gambling; authorizing and regulating the use of electronic pull-tab dispensing devices; imposing taxes; requiring the board to adopt rules; appropriating money to the commissioner of human services for compulsive gambling programs; amending Minnesota Statutes 1992, sections 349.12, subdivisions 18 and 32; 349.18, subdivision 1; and 349.212, subdivision 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 349.

Referred to the Committee on Gaming Regulation.

Ms. Ranum and Mr. Riveness introduced—

S.F. No. 1071: A bill for an act relating to government financing in this state; providing state aid to certain taxing jurisdictions for loss of tax base due to public acquisition of property; amending Minnesota Statutes 1992, section 273.1398, subdivisions 1 and 2.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear and Ms. Ranum introduced—

S.F. No. 1072: A bill for an act relating to civilian review authorities; providing for subpoena powers; proposing coding for new law in Minnesota Statutes, chapter 626.

Referred to the Committee on Crime Prevention.

Ms. Ranum and Mr. Spear introduced—

S.F. No. 1073: A bill for an act relating to civilian review authorities; providing for access to certain data by complainants; authorizing complainants to attend hearings and be accompanied by a supportive person; amending Minnesota Statutes 1992, sections 13.43, subdivision 2; and 471.705, subdivision 1d.

Referred to the Committee on Judiciary.

Messrs. Price and Finn introduced—

S.F. No. 1074: A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; and 94.348, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Messrs. Hottinger, Stumpf, Belanger and Betzold introduced—

S.F. No. 1075: A bill for an act relating to civil actions; including arbitration awards under the collateral source statute; amending Minnesota Statutes 1992, section 548.36, subdivisions 1, 2, 3, and 4.

Referred to the Committee on Judiciary.

Ms. Flynn, Mr. Metzen, Ms. Kiscaden and Mr. Merriam introduced—

S.F. No. 1076: A bill for an act relating to state government; the legislative commission on employee relations; modifying provisions relating to certain plans; ratifying certain salaries; amending Minnesota Statutes 1992, section 43A.18, subdivision 4; repealing Minnesota Statutes 1992, section 43A.24, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Mses. Piper, Robertson, Messrs. Knutson and Luther introduced—

S.F. No. 1077: A bill for an act relating to human services; granting authority to make interpretive guidelines; defining interpretive guidelines; providing for a vulnerable adult study; establishing a data practices task force; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 245A.02, subdivision 14; 245A.04, subdivisions 3 and 3b; 245A.06, subdivision 2; 245A.09, subdivision 7, and by adding subdivisions; and 245A.16, subdivision 6; repealing Minnesota Statutes 1992, sections 245A.04, subdivision 3c.

Referred to the Committee on Family Services.

Mr. Chmielewski introduced—

S.F. No. 1078: A bill for an act relating to education; extending time for school districts to transfer nonoperating funds; amending Laws 1991, chapter 265, article 8, section 14, as amended.

Referred to the Committee on Education.

Messrs. Spear, McGowan and Kelly introduced—

S.F. No. 1079: A bill for an act relating to crime; conspiracy and accomplices; increasing penalties for soliciting a juvenile to commit a crime, aiding an offender who has committed a crime of violence, conspiring with two or more others to commit a crime of violence; imposing a penalty for an accomplice after-the-fact to a crime of violence; revising the crime of riot and increasing the penalty; repealing law imposing penalties for committing crimes for benefit of a gang; amending Minnesota Statutes 1992, sections 609.05, subdivision 1; 609.175, subdivision 2, and by adding a subdivision; 609.494; 609.495; and 609.71; repealing Minnesota Statutes 1992, section 609.229.

Referred to the Committee on Crime Prevention.

Ms. Johnson, J.B. and Mr. Novak introduced—

S.F. No. 1080: A bill for an act relating to housing; creating a mental illness crisis housing assistance account; appropriating money; amending Minnesota Statutes 1992, section 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Mr. Pogemiller introduced—

S.F. No. 1081: A bill for an act relating to the metropolitan council; redrawing the boundaries of council districts; amending Minnesota Statutes

1992, sections 473.123, subdivision 3a, and by adding a subdivision; 473.141, subdivisions 2 and 4a; 473.373, subdivision 4a; 473.604, subdivision 1; and 473.703, subdivisions 1 and 2; repealing Minnesota Statutes 1992, section 473.123, subdivision 3b.

Referred to the Committee on Ethics and Campaign Reform.

Ms. Runbeck, Messrs. Samuelson and Day introduced—

S.F. No. 1082: A bill for an act relating to aid to families with dependent children; specifying school participation requirements for recipients of assistance; requiring the commissioner of human services to seek a federal waiver; amending Minnesota Statutes 1992, section 256.73, by adding a subdivision.

Referred to the Committee on Family Services.

Mr. Kelly, Ms. Piper, Messrs. McGowan, Cohen and Spear introduced—

S.F. No. 1083: A bill for an act relating to crime prevention; clarifying scope of the Asian juvenile crime prevention grant program; appropriating money; amending Minnesota Statutes 1992, section 256.486, subdivisions 1 and 3.

Referred to the Committee on Crime Prevention.

Mr. Spear introduced—

S.F. No. 1084: A bill for an act relating to insurance; automobile; authorizing reparation obligors to offer medical expense benefits through managed care plans; requiring appropriate premium reductions; prohibiting discrimination in automobile policies; amending Minnesota Statutes 1992, sections 65B.49, subdivision 2; and 72A.20, subdivisions 22 and 23; proposing coding for new law in Minnesota Statutes, chapter 65B.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Spear introduced—

S.F. No. 1085: A bill for an act relating to crime; diversion programs; requiring the bureau of criminal apprehension to maintain data on diversion program participants; requiring counties to plan and implement diversion programs for eligible felony offenders; amending Minnesota Statutes 1992, section 299C.46; by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 401A.

Referred to the Committee on Crime Prevention.

Messrs. Morse, Stumpf, Pogemiller, Metzen and Benson, D.D. introduced—

S.F. No. 1086: A bill for an act relating to retirement; increasing contribution rates and benefit computation formulas for statewide pension plans and programs; authorizing formula increases for first class city teacher plans; amending Minnesota Statutes 1992, sections 352.04, subdivisions 2 and 3; 352.115, subdivision 3; 352.92, subdivisions 1 and 2; 352.93, subdivision 2; 352.95, subdivision 1; 352B.02, subdivisions 1a and 1c; 352B.08, subdivision 2; 352B.10, subdivision 1; 353.27, subdivision 2;

353.29, subdivision 3; 353.651, subdivision 3; 353.656, subdivision 1; 353C.06, subdivision 3; 354.42, subdivisions 2 and 3; 354.44, subdivision 6; 354A.12, subdivisions 1 and 2a; 354A.31, subdivision 4; 356.30, subdivision 1; 422A.10, subdivision 1; and 422A.15, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Ms. Anderson introduced—

S.F. No. 1087: A bill for an act relating to utilities; restricting approval of competitive rate schedules to those that apply to consumers requiring electric service with a connected load of at least 2,000 kilowatts; providing for determination by public utilities commission of competitive rate filings; amending Minnesota Statutes 1992, section 216B.162, subdivisions 2 and 7.

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

Mr. Luther, Mrs. Benson, J.E.; Messrs. Morse, Merriam and Lessard introduced—

S.F. No. 1088: A bill for an act relating to recreational vehicles; regulating registration and operation of off-road vehicles; setting fees; providing penalties; requiring a comprehensive recreational use plan; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 85.018, subdivisions 1, 2, 3, and 5; 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.

Messrs. Stumpf; Bertram; Moe, R.D.; Langseth and Benson, D.D. introduced—

S.F. No. 1089: A bill for an act relating to agriculture; grain marketing; providing wheat protein premiums equivalent to discounts; amending Minnesota Statutes 1992, sections 17B.02; subdivisions 3a and 5; and 17B.0451, subdivision 10, and by adding a subdivision.

Referred to the Committee on Agriculture and Rural Development.

Ms. Lesewski, Messrs. Frederickson; Benson, D.D.; Belanger and Stevens introduced—

S.F. No. 1090: A bill for an act relating to taxation; providing a school agricultural tax credit in 1994; reimbursing school districts for the reduction in property tax revenues; appropriating money; amending Minnesota Statutes 1992, section 273.1398, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1091: A bill for an act relating to crime; expanding the definition of "machine gun" to include firearms that are modified to fire at the same rate as a machine gun; providing penalties for owning, possessing, or using a device enabling a firearm to fire at the same rate as a machine gun; amending Minnesota Statutes 1992, section 609.67, subdivisions 1 and 2.

Referred to the Committee on Crime Prevention.



Messrs. Morse, Stumpf, Hottinger, Finn and Mrs. Benson, J.E. introduced—

S.F. No. 1092: A bill for an act relating to retirement; teachers retirement association; requiring payment of certain tax penalties relating to certain unpaid mandatory supplemental retirement plan distributions.

Referred to the Committee on Governmental Operations and Reform.

Ms. Pappas introduced—

S.F. No. 1093: A bill for an act relating to education; appropriating money and increasing complement for the on-line computer-based library catalog system in state agency libraries.

Referred to the Committee on Education.

Mr. Neuville introduced—

S.F. No. 1094: A bill for an act relating to retirement; Faribault fire consolidation account; providing a full postretirement adjustment in certain instances.

Referred to the Committee on Governmental Operations and Reform.

Ms. Ranum and Mr. Stumpf introduced—

S.F. No. 1095: A bill for an act relating to higher education; providing for grants through the higher education coordinating board for education about violence and abuse, collaboration among human services professionals, and for a higher education center on violence and abuse; appropriating money; amending Laws 1992, chapter 571, article 16, section 4.

Referred to the Committee on Education.

Ms. Ranum, Messrs. Betzold, Knutson and Finn introduced—

S.F. No. 1096: A bill for an act relating to criminal and juvenile justice information; providing for implementation and oversight of integrated criminal justice information systems; appropriating money; amending Minnesota Statutes 1992, section 241.012, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299C.

Referred to the Committee on Crime Prevention.

Messrs. Cohen, Luther and Spear introduced—

S.F. No. 1097: A bill for an act relating to trusts; prohibiting trustees from exercising certain powers; proposing coding for new law in Minnesota Statutes, chapter 501B.

Referred to the Committee on Judiciary.

Mr. Morse, Ms. Johnson, J.B.; Mr. Merriam and Ms. Anderson introduced—

S.F. No. 1098: A bill for an act relating to the environment; providing for an assessment on environmental emissions; providing for more efficient

energy use; encouraging greater renewable energy production; changing provisions relating to ethanol producer payments; authorizing a pilot environmental extension program; appropriating money; amending Minnesota Statutes 1992, section 41A.09, subdivisions 1, 3, 4, 5, and by adding subdivisions; proposing coding for new law as Minnesota Statutes, chapter 216E; repealing Minnesota Statutes 1992, section 41A.09, subdivision 6.

Referred to the Committee on Environment and Natural Resources.

Mr. Morse introduced—

S.F. No. 1099: A bill for an act relating to Winona county; authorizing the county to negotiate contracts for solid waste management facilities, programs, and services.

Referred to the Committee on Environment and Natural Resources.

Mr. Morse and Ms. Johnson, J.B. introduced—

S.F. No. 1100: A bill for an act relating to pollution control; oil and hazardous substance discharge; allowing for a single corporate prevention and response plan; extending completion date for a response plan; modifying a notification form; establishing fees; establishing accounts in the environmental fund; creating a spill prevention and preparedness advisory council; requiring notification of pipeline petroleum discharges; imposing penalties; appropriating money; amending Minnesota Statutes 1992, section 115E.04, subdivisions 1, 2, and 3; proposing coding for new law in Minnesota Statutes, chapter 115E.

Referred to the Committee on Environment and Natural Resources.

Messrs. Sams; Samuelson; Benson, D.D.; Hottinger and Morse introduced—

S.F. No. 1101: A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing cease and desist orders; providing for penalties; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; and 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

Referred to the Committee on Health Care.

Messrs. Dille, Frederickson and Samuelson introduced—

S.F. No. 1102: A bill for an act relating to health; modifying provisions relating to infectious waste; amending Minnesota Statutes 1992, sections 116.76, subdivision 14; 116.78, subdivisions 4 and 7; 116.79, subdivisions 1 and 4; 116.80, subdivisions 1 and 2; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83, subdivisions 1 and 3; repealing Minnesota Statutes 1992, sections 116.76, subdivision 7; 116.79, subdivision 3; 116.81, subdivision 2; and 116.83, subdivision 2; Minnesota Rules, parts 4622.0100; 4622.0300; 4622.0400; 4622.0600; 4622.0700, subparts 10 and 12; 4622.1000; 4622.1050; 4622.1100; 4622.1150; and 4622.1200.

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

Mr. Stumpf introduced—

S.F. No. 1103: A bill for an act relating to retirement; creating an optional retirement plan for employees of the state historical society; amending Minnesota Statutes 1992, section 352.021, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 352F.

Referred to the Committee on Governmental Operations and Reform.

Mses. Piper, Kiscaden, Messrs. Larson, Betzold and Hottinger introduced—

S.F. No. 1104: A bill for an act relating to health; modifying provisions relating to unlicensed mental health practitioners and sellers of hearing instruments; establishing enforcement provisions; providing penalties; amending Minnesota Statutes 1992, sections 148B.66, by adding a subdivision; 148B.70, subdivision 3; 153A.14, by adding a subdivision; 153A.15, subdivision 1; and 153A.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 214.

Referred to the Committee on Health Care.

Messrs. Betzold, Vickerman, Ms. Kiscaden and Mr. Benson, D.D. introduced—

S.F. No. 1105: A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 3, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; and 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 157; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3.

Referred to the Committee on Health Care.

Mses. Piper, Kiscaden, Lesewski and Mr. Betzold introduced—

S.F. No. 1106: A bill for an act relating to health; authorizing mortality review projects; establishing access to data; limiting the disclosure of information collected, created, or maintained; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health Care.

Messrs. Sams, Larson, Ms. Lesewski, Messrs. Vickerman and Riveness introduced—

S.F. No. 1107: A bill for an act relating to health; providing an exception to the contested case hearing process required for changing the service area of an ambulance service; amending Minnesota Statutes 1992, section 144.802, by adding a subdivision.

Referred to the Committee on Health Care.

Ms. Wiener, Messrs. Solon, Larson, Belanger and Metzen introduced—

S.F. No. 1108: A bill for an act relating to insurance; clarifying the application of a certain notice requirement regarding guaranty association protection to policies or contracts issued by fraternal benefit societies; amending Minnesota Statutes 1992, section 60C.22.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Benson, D.D. introduced—

S.F. No. 1109: A bill for an act relating to human services; prohibiting insurers from using medical program eligibility as an underwriting guideline; empowering the commissioner to abate penalties and interest; changing the hospital payment rate under the medical assistance program; defining reasonably expected to return to the homestead; directing the commissioner to seek waivers to consider all trust assets; changing period of ineligibility for long-term care services for medical assistance; defining effect of unauthorized transfer of property; amending Minnesota Statutes 1992, sections 62A.045; 246.18, subdivision 4; 256.9657, subdivisions 1 and 7; 256.969, subdivisions 1, 9, and by adding a subdivision; 256.9695, subdivision 3; 256B.055, subdivision 1; 256B.056, subdivision 2, and by adding a subdivision; 256B.0575; 256B.0595, subdivision 2, and by adding subdivisions; 256B.0625, subdivisions 13, 13a, 15, and 29; 256B.15, subdivision 1; 256B.37, subdivision 5, and by adding a subdivision; 256D.03, subdivisions 4 and 8; 259.431, subdivision 5; 393.07, subdivision 3; repealing Minnesota Statutes 1992, sections 256.969, subdivision 20.

Referred to the Committee on Health Care.

Mr. Betzold introduced—

S.F. No. 1110: A bill for an act relating to health; requiring that the board of pharmacy keep certain information confidential; amending Minnesota Statutes 1992, section 151.06, by adding a subdivision.

Referred to the Committee on Judiciary.

Ms. Flynn, Messrs. Johnson, D.J.; Price and Novak introduced—

S.F. No. 1111: A bill for an act relating to tax increment financing; exempting redevelopment districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving first increment; changing certain limits on expenditures for redevelopment and renewal and renovation districts; changing the maximum duration of redevelopment districts; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivision 4; 469.175, subdivision 1, and by adding a subdivision; 469.176, subdivision 1; 469.1763, by adding a subdivision; and 469.177, subdivisions 1 and 2.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Morse, Berg and Finn introduced—

S.F. No. 1112: A bill for an act relating to game and fish; authorizing a program of agricultural crop protection assistance; expanding the use of deer license fees; authorizing the issuance of additional deer licenses to certain landowners and tenants; authorizing the commissioner of natural resources to allow the taking of multiple deer; authorizing an expanded firearms deer season; providing a license exemption for dark houses and fish houses on certain boundary waters; amending Minnesota Statutes 1992, sections 97A.075, subdivision 1; 97A.441, by adding a subdivision; 97B.301, subdivision 4; 97B.311; and 97C.355, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Mr. Luther introduced—

S.F. No. 1113: A bill for an act relating to health; regulating physician advertising; amending Minnesota Statutes 1992, section 147.091, subdivision 1.

Referred to the Committee on Health Care.

Messrs. Luther, Hottinger and Day introduced—

S.F. No. 1114: A bill for an act relating to commerce; franchises; regulating assignments, transfers, and sales; amending Minnesota Statutes 1992, sections 80C.14, subdivision 5; and 80C.17, subdivisions 1 and 5.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Berg introduced—

S.F. No. 1115: A bill for an act relating to natural resources; regulating various phases of the operation of aquatic farms, quarantine facilities, and private fish hatcheries within the state; providing penalties; amending Minnesota Statutes 1992, sections 17.4982, subdivision 8; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2; 17.4991, subdivision 4; 17.4992, subdivision 3; 97C.203; 97C.515, subdivision 4; and 97C.525, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse and Vickerman introduced—

S.F. No. 1116: A bill for an act relating to agriculture; requiring acceptance of empty pesticide containers and unused pesticide by certain pesticide distributors; amending Minnesota Statutes 1992, section 18B.135.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Luther, Metzen, Kroening, Ms. Johnston and Mr. Benson, D.D. introduced—

S.F. No. 1117: A bill for an act relating to occupations and professions; board of accountancy; changing board membership; changing educational requirements; providing for the licensure of registered accountants; providing for certification and licensure of registered public accountants; appropriating money; amending Minnesota Statutes 1992, sections 326.17; 326.18; 326.19; 326.20, subdivisions 1, 2, and by adding a subdivision; 326.211, subdivisions 5, 6, 7, 9, 10, and by adding subdivisions; 326.212, subdivisions 1, 3, 5, and by adding subdivisions; and 326.224; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.212, subdivision 4.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin, Messrs. Sams, Vickerman and Benson, D.D. introduced—

S.F. No. 1118: A bill for an act relating to human services; changing definition of care plan; defining personal care services; adding amounts to home care services; providing an automatic adjustment for health care services; amending Minnesota Statutes 1992, sections 256B.0625, subdivision 19b; and 256B.0627, subdivisions 1, 4, 5, and by adding a subdivision.

Referred to the Committee on Health Care.

Mr. Marty introduced—

S.F. No. 1119: A bill for an act relating to agriculture; requiring property owners or their agents to provide advance notification for applications of landscape pesticides; requiring postapplication notice for certain structural pesticide applications; requiring the posting of warning signs following a landscape pesticide application; requiring retail sales of landscape pesticides to include warning signs and informational materials; prohibiting the application of landscape pesticides within 50 feet of public waters by property owners or property owners' agents; prohibiting false and misleading statements in connection with the sale, distribution, application, or registration of a pesticide; amending Minnesota Statutes 1992, section 18B.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 18B; and 504.

Referred to the Committee on Agriculture and Rural Development.

Mr. Marty introduced—

S.F. No. 1120: A bill for an act relating to agriculture; requiring commercial applicators to provide informational materials and advance notification for applications of landscape pesticides and structural pesticides; requiring property owners or their agent to provide advance notification for landscape pesticide application; requiring the posting of warning signs following a landscape pesticide application; prohibiting the application of landscape pesticides within 50 feet of public waters by commercial or noncommercial applicators; prohibiting false and misleading statements in connection with the sale, distribution, application, or registration of a pesticide; amending Minnesota Statutes 1992, section 325F.245, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 18B; and 504; repealing Minnesota Statutes 1992, section 18B.09.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Johnson, D.J. and Janezich introduced—

S.F. No. 1121: A bill for an act relating to education; making grants to the Nett Lake school district for certain purposes; appropriating money.

Referred to the Committee on Education.

Mr. Janezich introduced—

S.F. No. 1122: A bill for an act relating to education; restricting eligibility for athletic participation for some students for one year following interdistrict transfer under open enrollment; amending Minnesota Statutes 1992, section 120.062, by adding a subdivision.

Referred to the Committee on Education.

Mr. Janezich introduced—

S.F. No. 1123: A bill for an act relating to cooperatives; requiring certain rural electric cooperatives to obtain member approval prior to disposing of cooperative assets.

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

Messrs. Janezich and Neuville introduced—

S.F. No. 1124: A bill for an act relating to county records; providing for the use of certain fees; amending Minnesota Statutes 1992, section 357.18, by adding a subdivision.

Referred to the Committee on Judiciary.

Mr. Metzen introduced—

S.F. No. 1125: A bill for an act relating to education; reserving funds for severance pay; expanding the uses of capital expenditure facilities revenue; changing the general education revenue reduction calculation; amending Minnesota Statutes 1992, sections 121.912, subdivision 5; 124.243, subdivision 6; and 124A.26, subdivision 1.

Referred to the Committee on Education.

Messrs. Finn, Betzold, Merriam and Knutson introduced—

S.F. No. 1126: A bill for an act relating to data practices; providing that donor information from the University of Minnesota and state universities is private or nonpublic data; providing that information on a donor's financial circumstances or gift giving is private or nonpublic data; amending Minnesota Statutes 1992, section 13.792.

Referred to the Committee on Judiciary.

Ms. Flynn, Mr. Mondale and Mrs. Adkins introduced—

S.F. No. 1127: A bill for an act relating to metropolitan government; revitalizing and strengthening the metropolitan council's role in metropolitan area transportation and sewer systems planning; abolishing the regional transit board; creating a new metropolitan transit authority as an agency of the

council; providing for the powers, duties, and administration of the metropolitan transit authority; authorizing the council to issue debt for the authority's activities and for transit; providing procedures for design, approval, and construction of light rail transit; abolishing the metropolitan transit commission; creating metro transit as an operating agency of the council; providing for the administration of metro transit; transferring functions of the metropolitan transit commission to metro transit; authorizing the metropolitan council to levy taxes to support metro transit's and the metropolitan transit authority's activities and for debt service; authorizing the commissioner of transportation to construct transit facilities in the metropolitan area with approval of the council; changing the administration of the metropolitan waste control commission; changing obsolete references; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivisions 1 and 7; 174.04; 174.22, by adding a subdivision; 174.23, subdivision 4; 174.24, subdivision 2; 174.32, subdivisions 2 and 3; 252.478, subdivision 2; 352.01, subdivision 2b; 352.75, subdivision 2; 352D.02, subdivision 1; 473.121, subdivision 11, and by adding subdivisions; 473.141, subdivision 2; 473.143; 473.146, subdivisions 1, 2, and 4; 473.1623, subdivision 2; 473.1631; 473.164, subdivision 3; 473.167, subdivision 1; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.181, subdivision 3; 473.223; 473.303, subdivision 4; 473.371, subdivision 1; 473.373, subdivisions 1, 1a, and by adding subdivisions; 473.375, subdivisions 1, 5, 8, 11, 13, and 17; 473.382; 473.384, subdivisions 3 and 7; 473.385, subdivision 2; 473.386, subdivisions 2 and 3; 473.388; 473.39; 473.391; 473.392; 473.399, subdivision 1; 473.3993; 473.3994; 473.3996; 473.3997; 473.3998; 473.405, subdivision 5; 473.4051; 473.408, subdivision 2a; 473.409; 473.415; 473.435; 473.436, subdivision 6; 473.446, subdivisions 1, 1a, 3, 7, and 8; 473.503; 473.504, subdivisions 8 and 9; 473.511, subdivision 4; 473.516, subdivisions 2 and 3; 473.517, subdivisions 6, 8, and 9; 473.521, subdivision 4; 473.523; 473.542; 473.543, subdivisions 1, 2, and 4; 473.547; 473.553, subdivision 4; 473.561; 473.595, subdivision 3; 473.811, subdivision 1a; 473.852, subdivision 8; and 629.40, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 14a and 15; 473.141, subdivisions 3, 4, 4a, and 5; 473.153; 473.161; 473.163; 473.373, subdivisions 4a, 5, 6, and 8; 473.375, subdivisions 7, 15, and 16; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.399, subdivisions 2 and 3; 473.3991; 473.3994, subdivision 6; 473.404; 473.405, subdivision 2; 473.415, subdivision 1; 473.416; 473.417; 473.418; 473.436, subdivision 7; 473.445; 473.511, subdivision 5; and 473.535; Laws 1991, chapter 291, article 4, section 20.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Solon; Benson, D.D.; Ms. Berglin, Messrs. Samuelson and Day introduced—

S.F. No. 1128: A bill for an act relating to human services; funding maternal and child health and social service programs; transferring the commissioner's duties for chemical dependency counseling to the commissioner of health; providing pilot projects for chemical dependency service needs; amending Minnesota Statutes 1992, sections 148C.01, subdivision 6; 148C.03, subdivisions 1 and 3; 148C.04, subdivisions 3 and 4; 148C.05, subdivision 2; 148C.06; 148C.10, subdivision 2; 148C.11, subdivisions 3 and 4; 252A.101, subdivision 7; 252A.111, subdivision 4; 254B.03, subdivision



1; 254B.06, subdivision 3; 257.801, subdivision 6; 257.803, subdivision 1; 525.539, subdivision 2; 525.551, subdivision 7; 525.56, subdivision 3; 525.591, subdivision 2; 525.60, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 1992, sections 254A.17, subdivision 1.

Referred to the Committee on Health Care.

#### **MEMBERS EXCUSED**

Mr. Pogemiller was excused from the Session of today from 9:00 to 9:30 a.m.

#### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:30 a.m., Monday, March 22, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-FOURTH DAY

St. Paul, Minnesota, Monday, March 22, 1993

The Senate met at 10:30 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. 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	Dille	Krentz	Mondale	Reichgott
Anderson	Finn	Kroening	Morse	Riveness
Belanger	Flynn	Laidig	Murphy	Robertson
Benson, D.D.	Frederickson	Langseth	Neuville	Runbeck
Benson, J.E.	Hanson	Larson	Novak	Sams
Berg	Hottinger	Lesewski	Oliver	Samuelson
Berglin	Janezich	Lessard	Olson	Solon
Bertram	Johnson, D.E.	Luther	Pappas	Spear
Betzold	Johnson, J.B.	Marty	Pariseau	Stevens
Chandler	Johnston	McGowan	Piper	Stumpf
Chmielewski	Kelly	Merriam	Pogemiller	Terwilliger
Cohen	Kiscaden	Metzen	Price	Vickerman
Day	Knutson	Moe, R.D.	Ranum	Wiener

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 Senate File, herewith returned: S.F. No. 12.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 18, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 70, 298, 461, 498 and 585.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 18, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 70: A bill for an act relating to state lands; authorizing a conveyance to the city of St. Cloud of certain land owned by the state as a part of St. Cloud State University.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 298: A bill for an act relating to local government; creating the office of Anoka county coroner; appointing a physician as county coroner; appointing assistant coroners; designating deputy coroners; establishing the duties of the coroner.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 277, now on General Orders.

H.F. No. 461: A bill for an act relating to local government; authorizing cities to offer rewards for information leading to the apprehension, arrest, or conviction of alleged felons; proposing coding for new law in Minnesota Statutes, chapter 471.

Referred to the Committee on Crime Prevention.

H.F. No. 498: A bill for an act relating to St. Louis county; solid waste management; clarifying St. Louis county contracting authority to include management operations; modifying contracting procedure; amending Minnesota Statutes 1992, section 383C.807, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

H.F. No. 585: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1, 2, 4, and by adding a subdivision; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 444, now on the Calendar.

### 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. 734. The motion prevailed.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 495: A bill for an act relating to the city of Duluth; authorizing the transfer of money from the gas division account in the public utility fund to the general fund; authorizing the transfer of money from the steam division account of the public utility fund to the general fund; amending Laws 1951, chapter 507, section 1, as amended; and Laws 1979, chapter 113, section 2.

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

Pages 1 and 2, delete section 2

Page 2, line 18, delete "3" and insert "2"

Amend the title as follows:

Page 1, line 4, delete "authorizing"

Page 1, delete lines 5 and 6

Page 1, line 8, delete "; and Laws 1979, chapter 113, section 2"

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 734: A bill for an act relating to local government; enabling local government units to obtain waivers of state rules and laws; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83; and 465.87, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465.

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

Page 3, after line 33, insert:

*"A copy of the application shall be provided by the requesting local government unit to the exclusive representative of its employees as certified under section 179A.12."*

Page 4, line 23, after the period, insert *"If the exclusive representative of the employees of the requesting local government unit objects to the waiver request it may inform the board of the objection to and the grounds for the objection to the waiver request within 60 days of the receipt of the application."*

Page 4, line 24, after "agency" insert *"or the exclusive representative"*

Page 7, line 14, after the period, insert *"A copy of the plan must also be provided by the requesting local government units to the exclusive representatives of the employees as certified under section 179A.12."*

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 821: A bill for an act relating to counties; authorizing a county to transfer funds to and enter into contracts with community action agencies; amending Minnesota Statutes 1992, section 375.18, by adding a subdivision.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 406: A bill for an act relating to local government; authorizing a local unit of government which self-insures health benefits for employees to enroll employees of the exclusive representative of its employees in those plans; amending Minnesota Statutes 1992, section 471.617, by adding a subdivision.

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

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 789: A bill for an act relating to the city of St. Paul; validating an approval of special laws.

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

Page 1, delete section 1 and insert:

“Section 1. [SPECIAL LAW EFFECTIVE DATE.]

*Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), Laws 1992, chapter 511, article 9, sections 23 and 24, are effective without local approval the day following final enactment of this act. This act supersedes any inconsistent provision of Laws 1992, chapter 511, article 9, section 34, or other law. This act is also effective without local approval pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), the day following final enactment.”*

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

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

S.F. No. 440: A bill for an act relating to real estate; modifying provisions for voluntary foreclosure of mortgages; amending Minnesota Statutes 1992, section 582.32, subdivisions 1, 2, 3, 5, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1992, section 582.32, subdivisions 4, 7, and 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 1992, section 580.032, subdivision 1, is amended to read:

Subdivision 1. [FILING REQUEST FOR NOTICE.] A person having a redeemable interest in real property under section 580.23 or 580.24, may file for record a request for notice of a mortgage foreclosure by advertisement with the county recorder or registrar of titles of the county where the property is located. *To be effective for purposes of this section, a request for notice must be filed for record as a separate and distinct document, except a mechanic's lien statement filed for record pursuant to section 514.08 also constitutes a request for notice if it includes a legal description of the real property and the name and mailing address of the mechanic's lien claimant.*

Sec. 2. Minnesota Statutes 1992, section 580.23, subdivision 1, is amended to read:

Subdivision 1. [SIX-MONTH REDEMPTION PERIOD.] When lands have been sold in conformity with the preceding sections of this chapter the mortgagor, the mortgagor's personal representatives or assigns, within six months after such sale, except as otherwise provided in subdivision 2 or section 582.032 or 582.32, may redeem such lands, as hereinafter provided, by paying the sum of money for which the same were sold, with interest from the time of sale at the rate provided to be paid on the mortgage debt and, if no rate be provided in the mortgage note, at the rate of six percent per annum, together with any further sums which may be payable as provided in sections 582.03 and 582.031.

Sec. 3. Minnesota Statutes 1992, section 582.32, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] This section applies to mortgages executed on or after August 1, 1993, under which there ~~has been~~ is a default and ~~where~~ the mortgagor and mortgagee enter into a ~~written~~ *an* agreement for voluntary foreclosure of the ~~mortgaged real estate mortgage~~ under this section. This section applies only to *mortgages on real estate no part of which is classified as a homestead under section 273.124 or in agricultural property use as defined in section 40A.02, subdivision 3, as of the date of agreement.*

Sec. 4. Minnesota Statutes 1992, section 582.32, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (a) As used in this section, the following terms have the meanings given:

(b) “Agreement” means the agreement for voluntary foreclosure described in subdivision 3.

(c) “Date of agreement” means the effective date of the agreement which shall not be sooner than the date on which the agreement is executed and acknowledged by both the mortgagor and mortgagee.

(d) “Junior lien” means a lien ~~with a redeemable interest in the real estate under section 580.23 or 580.24~~ subordinate to the lien of the mortgage

foreclosed under this section, *the holder of which has a redeemable interest in the real estate under section 580.24.*

(e) "Mortgage" means a recorded mortgage on real estate no part of which is *classified as a homestead as defined in section 510.01 under section 273.124 or is in agricultural use as defined in section 40A.02, subdivision 3, as of the date of agreement.*

(f) "Mortgagee" means the record holders of the mortgage, whether one or more.

(g) "Mortgagor" means the record holders, whether one or more, of the legal and equitable interest in the real estate encumbered by the mortgage.

(h) "Real estate" means the real property encumbered by the mortgage *and, where applicable, fixtures, equipment, furnishings, and other personalty related to the real property and encumbered by the mortgage.*

Sec. 5. Minnesota Statutes 1992, section 582.32, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE.] (a) Voluntary foreclosure may occur only in accordance with this section.

(b) The mortgagor and mortgagee shall enter into a written agreement for voluntary foreclosure under this section only *after during the existence of a default under the mortgage. At least one of the items constituting the default must have been in existence for at least one month on the date of agreement.* The agreement shall identify the mortgage by *recording data* and the real estate by legal description, specify the date of the agreement and provide that:

(1) The mortgagor and mortgagee have agreed that the mortgage shall be voluntarily foreclosed with a ~~shortened~~ *the mortgagor's redemption period under reduced to two months as provided in this section.*

(2) The mortgagee waives any rights to a deficiency or other claim for personal liability against the mortgagor arising from the mortgage or the debt secured by the mortgage. This does not preclude an agreement between the mortgagor and mortgagee to a ~~stipulated~~ payment to the mortgagee as part of the voluntary foreclosure, or collection from a guarantor.

(3) The mortgagor waives its ~~right of reinstatement~~, to ~~excess surplus~~ sale proceeds, to contest foreclosure, and to rents and occupancy during the period ~~before sale and during from the date of agreement through~~ the redemption period.

(4) The mortgagor consents to the appointment of a receiver for, or grants mortgagee possession of, the real estate ~~as of the date of agreement, for the purposes of and all rights of possession of the real estate, including, but not limited to~~ operating, maintaining, and protecting the real estate, and the making of any additions or betterments to the real estate.

(5) *A default exists under the mortgage and on the date of agreement at least one of the items constituting the default has been in existence for at least one month.*

(c) Within seven days after the date of agreement, the mortgagee must record or file the agreement with the county recorder or registrar of titles, as appropriate, ~~in the each county where any part of the real estate is located.~~

*Filing or recording of a short form agreement signed by the mortgagor and mortgagee containing the following information satisfies this requirement:*

- (1) the identity and mailing address of the mortgagor and mortgagee;*
- (2) the legal description of the real estate;*
- (3) the mortgage identified by recording data;*
- (4) a statement that an event of default under the mortgage has existed for at least one month as of the date of agreement and foreclosure under this section has been agreed to by the parties; and*
- (5) the date of agreement.*

*(d) A certificate signed by the county or city assessor where the real estate is located, stating that, as of the date of agreement, the real estate is was not in agricultural use as defined in section 40A.02, subdivision 3, and is was not a homestead as defined in section 510.01, as the date of agreement, for property tax purposes under section 273.124, must be recorded before or with the certificate of sale in the office of the county recorder or registrar of titles where the real estate is located, and shall be prima facie evidence of the facts contained in the certificate.*

*(e) Within ten days of receipt of a written request for information from a holder of a junior lien, the mortgagee, without charge, shall deliver or mail by first class mail postage prepaid, to the address of the holder set forth in the request, either the agreement or a written statement of the amount of money and the value or a detailed description of any property paid or transferred, or to be paid or transferred, by the parties to the agreement under the terms of the agreement. Failure to provide this information does not invalidate the foreclosure.*

Sec. 6. Minnesota Statutes 1992, section 582.32, is amended by adding a subdivision to read:

*Subd. 4a. [NO RIGHT OF REINSTATEMENT.] There is no right of reinstatement pursuant to section 580.30, of the mortgage after the date of agreement.*

Sec. 7. Minnesota Statutes 1992, section 582.32, subdivision 5, is amended to read:

*Subd. 5. [FORECLOSURE PROCEDURE; NOTICE TO CREDITORS.] (a) After the date of agreement, the mortgagee may proceed to foreclose the mortgage in accordance with the laws generally applicable to foreclosure by advertisement including chapters 580 and 582, except as otherwise provided in this section.*

*(b) At least 14 days before the date of sale, the mortgagee shall:*

*(1) serve the ~~person~~ persons in possession of the ~~mortgaged~~ real estate with notice of the voluntary foreclosure sale under this section in the same manner as in a foreclosure by advertisement as provided in section 580.03; and*

*(2) ~~send by certified~~ mail a notice of the voluntary foreclosure sale under this section to all each holder of a junior lien holders of record upon the real estate or some part of the real estate who have has filed or recorded a request for this notice under ~~subdivision 3~~ section 580.032.*



(c) The mortgagee shall publish notice of the voluntary foreclosure sale under this section in the same manner as in a foreclosure by advertisement as provided in section 580.03 for four consecutive weeks. The notice must include all information required under section 580.04, clauses (1) to (6), the date of the agreement, and shall state that each holder of a junior lien may redeem in the order and manner provided in subdivision 9, beginning one month after the foreclosure sale expiration of the mortgagor's two-month redemption period under this section. Provided, if the real estate is subject to a federal tax lien entitled to the preemptive 120-day redemption period under section 7425(d)(1) of the Internal Revenue Code, as amended, the notice shall provide that the date of redemption for the first federal tax lien and all other liens junior thereto shall begin four months after the date of the foreclosure sale. Affidavits of service, mailing, publication, and other affidavits or certificates permitted by chapter 580, must be recorded with the certificate of sale, or within five days after the sale, in the office of the county recorder or registrar of titles where the real estate is located. These affidavits and certificates are prima facie evidence of the facts contained in them.

(d) The mortgagor's redemption period is two months from the date of sale, except that if the real estate is subject to a federal tax lien under which the United States is entitled to a 120-day redemption period under section 7425(d)(1) of the Internal Revenue Code, as amended, the mortgagor's redemption period is 120 days from the date of sale. The certificate of sale must indicate the redemption period applicable under this paragraph.

Sec. 8. Minnesota Statutes 1992, section 582.32, subdivision 6, is amended to read:

Subd. 6. [SALE, HOW AND BY WHOM MADE.] Except as provided in this section, the foreclosure sale must be conducted and the certificate of sale shall be made in the same manner as and recorded in accordance with a foreclosure by advertisement as provided in chapter 580. The certificate of sale must be filed or recorded within five days after the sale. Affidavits of service, mailing, publication, and other affidavits or certificates permitted by chapter 580, must be recorded with the certificate of sale, or within five days after the sale, in the office of the county recorder or registrar of titles where the real estate is located, and when so recorded are prima facie evidence of the facts contained in them.

Sec. 9. Minnesota Statutes 1992, section 582.32, subdivision 9, is amended to read:

Subd. 9. [CREDITOR REDEMPTION.] A subsequent creditor having person holding a junior lien upon the real estate or some part of the real estate may redeem in the order and manner specified in sections 580.24 and 580.25, but only if before the end of the mortgagor's redemption period under this section the creditor files with the county recorder or registrar of titles of each county where the mortgaged real estate is located, a notice of intention to redeem. If a junior creditor fails to timely file a notice of intention to redeem as provided in this subdivision, or fails to redeem as provided in this subdivision, its lien on the real estate is extinguished on the real estate.

Sec. 10. Minnesota Statutes 1992, section 609.615, is amended to read:  
609.615 [DEFEATING SECURITY ON REALTY.]

Whoever removes or damages real property which is subject to a mortgage, mechanic's lien, or contract for deed, *and until the expiration of the time allowed for redemption or reinstatement*, with intent to impair the value of the *security property*, without the consent of the security holder, may be sentenced as follows:

(1) If the value of the property is impaired by \$300 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both; or

(2) If the value of the property is impaired by more than \$300, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Sec. 11. [REPEALER.]

*Minnesota Statutes 1992, section 582.32, subdivisions 4, 7, and 8, are repealed."*

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 580.032, subdivision 1; 580.23, subdivision 1;"

Page 1, line 5, before "repealing" insert "and 609.615;"

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

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

S.F. No. 452: A bill for an act relating to civil commitment; clarifying time limitations for appeal under the civil commitment act; amending Minnesota Statutes 1992, sections 253B.18, by adding a subdivision; and 253B.23, subdivision 7.

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 1992, 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. *Any order or judgment under this chapter or related case law may be appealed within 60 days after the order or entry of judgment. A judgment under section 253B.18, subdivision 1, may be appealed within 60 days after the date of the order entered under section 253B.18, subdivision 2."*

Delete the title and insert:

"A bill for an act relating to civil commitment; clarifying time limitations for appeal under the civil commitment act; amending Minnesota Statutes 1992, section 253B.23, subdivision 7."

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

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

S.F. No. 114: A bill for an act relating to state departments; abolishing department of public safety and transferring certain responsibilities and personnel to other agencies; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 13.99, subdivision 82; 15.01; 15A.081, subdivision 1; 16B.14; 16B.54, subdivision 2; 43A.05, subdivision 4; 43A.34, subdivision 4; 65B.28, subdivision 2; 161.125, subdivision 3; 161.20, subdivision 4; 161.465; 168.011, by adding subdivisions; 168.126, subdivision 3; 168.325; 169.751; 169.783, subdivision 1; 170.23; 170.24; 171.015; 214.04, subdivision 1; 216C.19, subdivision 1; 218.031, subdivision 2; 270.73, subdivision 1; 297B.01, subdivision 3; 297C.03, subdivision 1; 297C.10, subdivisions 1 and 2; 297C.12; 297C.13, subdivision 1; 299A.02; 299A.30, subdivision 1; 299A.31, subdivision 1; 299A.331, subdivision 1; 299A.38, subdivisions 1, 2, and 4; 299C.01, subdivisions 2 and 4; 299C.06; 299C.13; 299C.50; 299F.01, subdivision 2; 299L.01, subdivision 1; 340A.201; 347.51, subdivision 2a; 349.151, subdivision 2; 352B.01, subdivision 2; 360.0752, subdivision 7; 360.0753, subdivision 6; 611A.20, subdivision 2; 624.7151; 626.5531, subdivision 2; 626.562, subdivision 1; and 634.16; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 1992, sections 168.325, subdivision 4; 171.015, subdivisions 1 and 5; 270B.12, subdivision 4; 299A.01; 299C.01, subdivision 1; and 299F.01, subdivisions 1 and 3; Laws 1987, chapter 315, section 4, subdivision 2; Laws 1990, chapters 571, section 39; and 594, article 3, sections 6 and 7.

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

Page 2, line 23, delete "*liquor control* (" and after "*positions*" insert "*within the liquor control division exclusively*"

Page 2, line 24, delete the parenthesis

Page 3, line 11, before the semicolon, insert ", *including 12 positions*"

Page 3, line 12, before the semicolon, insert ", *including 613 positions*"

Page 3, line 13, before the semicolon, insert ", *including 49 positions*"

Page 3, line 14, before the period, insert ", *including 737.3 positions*"

Page 3, line 15, delete "*Ten*" and insert "*Fifteen*"

Page 3, line 17, delete "*eight*" and insert "*8.8*"

Page 3, delete lines 20 to 22

Page 3, line 26, before the semicolon, insert ", *including seven positions*"

Page 3, line 27, before the semicolon, insert ", *including one position*"

Page 3, line 28, delete the semicolon and insert ", *including 192 positions; and*"

Page 3, line 29, delete "; *and*" and insert ", *including 19 positions.*"

Page 3, delete lines 30 and 31

Page 3, line 32, delete "*Five*" and insert "*Seven*"

Page 4, line 4, before the period, insert "*by this subdivision and subdivision 4*"

Page 4, line 18, after "*units*" insert "*, including nine positions,*"

Page 4, line 26, before the semicolon, insert "*, including 63.5 positions*"

Page 4, line 29, after "*safety*" insert "*, including 15 positions,*"

Page 4, line 32, after "*units*" insert "*, including 41.6 positions,*"

Page 4, line 36, after "*responsibilities*" insert "*of the liquor control division*"

Page 5, line 1, after "*licensing*" insert "*and the responsibilities relating to enforcement, including the position of director of the division and the positions of five field agents responsible for enforcement,*"

Page 5, line 2, delete "*revenue*" and insert "*commerce*"

Page 5, after line 2, insert:

*"Subd. 11. [REPORT TO LEGISLATURE.] The attorney general, the commissioner of administration, and the chancellor of the technical college system shall report to the legislature by January 15, 1994, on whether any of the educational and training functions currently operated by the bureau of criminal apprehension and the fire marshal should be transferred to the technical college system or another higher education system."*

Page 9, line 36, reinstate the stricken language and delete "*and*"

Page 11, after line 6, insert:

*"Sec. 11. Minnesota Statutes 1992, section 45.027, subdivision 1, is amended to read:*

*45.027 [INVESTIGATIONS AND SUBPOENAS.]*

*Subdivision 1. [GENERAL POWERS.] In connection with the administration of chapters 45 to 83, 309, ~~and~~ 332, and 340A and sections 326.83 to 326.98, the commissioner of commerce may:*

*(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate chapters 45 to 83, 309, ~~and~~ 332, and 340A, sections 326.83 to 326.98, or any rule adopted or order issued under those chapters, or to aid in the enforcement of chapters 45 to 83, 309, ~~and~~ 332, and 340A, sections 326.83 to 326.98, or in the prescribing of rules or forms under those chapters;*

*(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;*

*(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the administration of chapters 45 to 83, 309, ~~and~~ 332, and 340A and sections 326.83 to 326.98;*

*(4) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in chapters 45 to 83, 309, ~~and~~ 332, and 340A and sections 326.83 to 326.98, to the legislature;*

(5) examine the books, accounts, records, and files of every licensee under chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98, and of every person who is engaged in any activity regulated under chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; and

(7) require any person subject to chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98, to report all sales or transactions that are regulated under chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction.

Sec. 12. Minnesota Statutes 1992, section 45.027, subdivision 2, is amended to read:

Subd. 2. [POWER TO COMPEL PRODUCTION OF EVIDENCE.] For the purpose of any investigation, hearing, proceeding, or inquiry under chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98, the commissioner or a designated representative may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner considers relevant or material to the inquiry.

Sec. 13. Minnesota Statutes 1992, section 45.027, subdivision 5, is amended to read:

Subd. 5. [LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.] Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of chapters 45 to 83, 309, and 332, and 340A, sections 326.83 to 326.98, or any rule adopted or order issued under those chapters, the commissioner has the following powers: (1) the commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with chapters 45 to 83, 309, and 332, and 340A, sections 326.83 to 326.98, or any rule or order adopted or issued under those chapters; or the commissioner may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted; (2) the commissioner may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of chapters 45 to 83, 309, and 332, and 340A, sections 326.83 to 326.98, or any rule or order adopted or issued under those chapters. The order must be calculated to give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner, unless the person requesting the hearing and the department of commerce agree the hearing be scheduled after the seven-day period. After the hearing and within 20 days after receiving the

administrative law judge's report, the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this subdivision.

Sec. 14. Minnesota Statutes 1992, section 45.027, subdivision 6, is amended to read:

Subd. 6. [VIOLATIONS AND PENALTIES.] The commissioner may impose a civil penalty not to exceed \$2,000 per violation upon a person who violates chapters 45 to 83, 309, and 332, and 340A and sections 326.83 to 326.98, or any rule adopted or order issued under those chapters unless a different penalty is specified.

Sec. 15. Minnesota Statutes 1992, section 45.027, subdivision 7, is amended to read:

Subd. 7. [ACTIONS AGAINST LICENSEES.] In addition to any other actions authorized by this section, the commissioner may, by order, deny, suspend, or revoke the authority or license of a person subject to chapters 45 to 83, 155A, 309, or 332, or 340A or sections 326.83 to 326.98, or censure that person if the commissioner finds that:

(1) the order is in the public interest; and

(2) the person has violated chapters 45 to 83, 155A, 309, or 332, or 340A, or sections 326.83 to 326.98, or any rule adopted or order issued under those chapters.

Except for information classified as confidential under sections 60A.03, subdivision 9; 60A.031; 60A.93; and 60D.22, the commissioner may make any data otherwise classified as private or confidential pursuant to this section accessible to an appropriate person or agency if the commissioner determines that the access will aid the law enforcement process, promote public health or safety, or dispel widespread rumor or unrest. If the commissioner determines that private or confidential information should be disclosed, the commissioner shall notify the attorney general as to the information to be disclosed, the purpose of the disclosure, and the need for the disclosure. The attorney general shall review the commissioner's determination. If the attorney general believes that the commissioner's determination does not satisfy the purpose and intent of this provision, the attorney general shall advise the commissioner in writing that the information may not be disclosed. If the attorney general believes the commissioner's determination satisfies the purpose and intent of this provision, the attorney general shall advise the commissioner in writing, accordingly.

After disclosing information pursuant to this provision, the commissioner shall advise the chairs of the senate and house of representatives judiciary committees of the disclosure and the basis for it.

Sec. 16. Minnesota Statutes 1992, section 45.027, subdivision 8, is amended to read:

Subd. 8. [STOP ORDER.] In addition to any other actions authorized by this section, the commissioner may issue a stop order denying effectiveness to or suspending or revoking any registration subject to chapters 45 to 83, 309, or 332, or 340A or sections 326.83 to 326.98.

Sec. 17. Minnesota Statutes 1992, section 45.028, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) When a person, including any nonresident of this state, engages in conduct prohibited or made actionable by chapters 45 to 83, 155A, 309, and 332, and 340A, or any rule or order under those chapters, and the person has not filed a consent to service of process under chapters 45 to 83, 155A, 309, and 332, and 340A that conduct is equivalent to an appointment of the commissioner as the person's attorney to receive service of process in any noncriminal suit, action, or proceeding against the person which is based on that conduct and is brought under chapters 45 to 83, 155A, 309, and 332, and 340A or any rule or order under those chapters.

(b) Subdivision 2 applies in all other cases under chapters 45 to 83, 155A, 309, and 332, and 340A, or any rule or order under those chapters, in which a person, including a nonresident of this state, has filed a consent to service of process. This paragraph supersedes any inconsistent provision of law.

(c) Subdivision 2 applies in all cases in which service of process is allowed to be made on the commissioner of commerce."

Page 20, lines 1, 10, and 18, reinstate the stricken "commissioner of" and delete "attorney general" and insert "commerce"

Page 21, line 6, reinstate the stricken "commissioner of" and delete "attorney" and insert "commerce"

Page 21, line 7, delete "general"

Page 21, delete line 23 and insert "commissioners of public safety and revenue and commerce"

Page 21, line 24, delete the new language

Page 21, line 28, reinstate the stricken "commissioner of"

Page 21, line 29, delete "attorney general" and insert "commerce"

Page 22, line 10, delete the new language and reinstate the stricken "of"

Page 22, line 11, after the stricken "safety" insert "commerce" and reinstate the stricken "or the commissioner"

Page 22, line 17, reinstate the stricken language

Page 22, line 18, delete "attorney general" and insert "commerce"

Page 22, lines 19 and 27, reinstate the stricken "commissioner" and delete the new language and insert "of commerce"

Page 22, line 26, reinstate the stricken "commissioner of" and delete "attorney general" and insert "commerce"

Page 22, line 28, delete "general"

Page 23, line 12, reinstate the stricken "commissioner" and delete "attorney general" and insert "of commerce"

Page 24, line 36, reinstate the stricken "commissioner of"

Page 25, line 1, delete "attorney general" and insert "commerce"

Page 25, line 12, reinstate the stricken "COMMISSIONERS OF" and delete "ATTORNEY GENERAL" and insert "COMMERCE"

Page 25, line 13, delete "COMMISSIONER OF"

Page 25, line 15, reinstate the stricken "department of"

Page 25, lines 16 and 24, delete "attorney general" and insert "commerce"

Page 25, line 23, reinstate the stricken "commissioner of"

Page 25, lines 29, 30, and 32, reinstate the stricken language and delete the new language

Page 25, line 33, delete "general"

Page 26, lines 2 and 3, reinstate the stricken language and delete the new language and insert "of commerce"

Page 26, line 15, reinstate the stricken "commissioner" and delete "attorney general" and insert "of commerce"

Page 32, line 4, delete "July 1, 1993" and strike ", except"

Page 32, lines 5 and 6, delete the new language and insert "July 1, 1993"

Page 40, line 16, delete "297C.09;"

Page 41, line 9, after the semicolon, insert "297C.09;"

Page 41, after line 12, insert:

*"(c) In Minnesota Statutes 1993 Supplement, the revisor of statutes shall renumber the section of Minnesota Statutes specified in Column A with the number set forth in Column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.*

Column A  
299A.02

Column B  
340A.202"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the second semicolon, insert "45.027, subdivisions 1, 2, 5, 6, 7, and 8; 45.028, subdivision 1;"

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

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



S.F. No. 692: A bill for an act relating to insurance; workers' compensation; regulating the minimum deposit requirements for self-insurers; amending Minnesota Statutes 1992, section 79A.04, subdivision 2.

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

Page 1, line 23, strike "a member" and insert "*an Associate or Fellow*"

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

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

S.F. No. 683: A bill for an act relating to insurance; credit; permitting the sale of credit involuntary unemployment insurance; amending Minnesota Statutes 1992, sections 47.016, subdivision 1; 48.185, subdivision 4; 52.04, subdivision 1; 56.125, subdivision 3; 56.155, subdivision 1; 60K.03, subdivision 7; 60K.19, subdivision 3; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, by adding a subdivision; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, and 4; 62B.09, subdivisions 1, 2, and 3; 62B.11; 62B.12; and 72A.20, subdivision 27.

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

Page 12, delete section 9 and insert:

"Sec. 9. Minnesota Statutes 1992, section 62B.02, is amended by adding a subdivision to read:

*Subd. 3a. "Credit involuntary unemployment insurance" means insurance on a debtor in connection with a specified loan or other credit transaction to provide payment to a creditor in the event of involuntary unemployment of the debtor for the installment payments or other periodic payments becoming due while the debtor is involuntarily unemployed."*

Page 13, lines 18 and 19, delete "*, as defined in the policy,*"

Page 14, line 35, delete "*employment*" and insert "*unemployment*"

Pages 18 and 19, delete sections 21 and 22 and insert:

"Sec. 21. Minnesota Statutes 1992, section 62B.08, is amended by adding a subdivision to read:

*Subd. 5. With respect to credit involuntary unemployment insurance only, an insurer, subsidiary, or parent of the insurer shall not pay compensation to a creditor or a group policyholder offering credit involuntary unemployment insurance in excess of 30 percent of the net written premiums.*

Sec. 22. Minnesota Statutes 1992, section 62B.08, is amended by adding a subdivision to read:

*Subd. 6. "Compensation" means any valuable consideration, direct or indirect, paid by or on behalf of the insurer, or by any subsidiary or parent, or subsidiary of the parent of the insurer, or by any other person to whom or on behalf of any group policyholder or creditor or withheld from an insurer*

*by any group policyholder or creditor, including but not limited to: commissions, retrospective commissions, retrospective rate credits, experience refunds, dividends, service fees, expense allowances or reimbursements, gifts, equipment, facilities, goods or services, or any other form of remuneration resulting directly from the sale of credit involuntary unemployment insurance."*

Page 19, line 36, after the period, insert *"The commissioner shall promulgate rules to establish rates for credit involuntary unemployment insurance prior to its issuance, and to enact the other provisions of this act."*

Page 21, after line 4, insert:

*"Sec. 27. [RULEMAKING COST ASSESSMENTS.]*

*Companies selling credit involuntary unemployment insurance shall be assessed by the department to pay the costs of rulemaking."*

Page 21, line 6, delete "26" and insert "27"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, delete "and 4" and insert "4, and by adding subdivisions" and delete "subdivisions 1, 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. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 605: A bill for an act relating to the veterans homes board; requiring the board to apply for certain federal funding.

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

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

S.F. No. 698: A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.51, subdivision 2; and 237.52, 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 1992, section 237.50, subdivision 3, is amended to read:*

*Subd. 3. [COMMUNICATION IMPAIRED.] "Communication impaired" means certified as deaf, severely hearing impaired, ~~hard of hearing~~ ~~hard-of-hearing~~, speech impaired, ~~or~~ deaf and blind, ~~or~~ *mobility impaired if the mobility impairment significantly impedes the ability to use standard customer premises equipment.**

Sec. 2. Minnesota Statutes 1992, section 237.50, subdivision 4, is amended to read:

Subd. 4. [COMMUNICATION DEVICE.] "Communication device" means a device that when connected to a telephone enables a communication-impaired person to communicate with another person utilizing the telephone system. A "communication device" includes a ring signaler, an amplification device, a telephone device for the deaf with any auxiliary equipment, a braille device for use with a telephone, and any other device the board deems necessary, and a telebraille unit.

Sec. 3. Minnesota Statutes 1992, section 237.50, is amended by adding a subdivision to read:

Subd. 4a. [DEAF.] "Deaf" means a hearing impairment of such severity that the individual must depend primarily upon visual communication such as writing, lip reading, manual communication, and gestures.

Sec. 4. Minnesota Statutes 1992, section 237.50, is amended by adding a subdivision to read:

Subd. 6a. [HARD-OF-HEARING.] "Hard-of-hearing" means a hearing impairment resulting in a functional loss, but not to the extent that the individual must depend primarily upon visual communication.

Sec. 5. Minnesota Statutes 1992, section 237.50, subdivision 11, is amended to read:

Subd. 11. [MESSAGE TELECOMMUNICATION RELAY SERVICE.] "Message Telecommunication relay service" means a central statewide service through which a communication-impaired person, using a communication device, may send and receive messages to and from a non-communication-impaired person whose telephone is not equipped with a communication device and through which a non-communication-impaired person may, by using voice communication, send and receive messages to and from a communication-impaired person.

Sec. 6. Minnesota Statutes 1992, section 237.51, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The telecommunication access for communication-impaired persons board is established to establish and administer a program to distribute communication devices to eligible communication-impaired persons and to create and maintain a message telecommunication relay service.

Sec. 7. Minnesota Statutes 1992, section 237.51, subdivision 2, is amended to read:

Subd. 2. [MEMBERS.] The board consists of 12 persons to include:

(1) the commissioner of the department of human services or the commissioner's designee;

(2) the commissioner of the department of administration or the commissioner's designee;

(3) five (2) seven communication-impaired persons appointed by the governor at least three of whom reside outside a metropolitan county, as defined in section 473.121, subdivision 4, at the time of appointment, at least

*four of whom are deaf, one of whom is speech impaired, one of whom is mobility impaired, and one of whom is hard-of-hearing;*

(4) (3) one person appointed by the governor who is a professional in the area of communications disabilities;

(5) (4) one person appointed by the governor to represent the telephone company providing local exchange service to the largest number of persons;

(6) (5) one member of the Minnesota Telephone Association appointed by the governor to represent other affected telephone companies; *and*

(7) (6) one person appointed by the governor to represent ~~companies providing inter-LATA interexchange telephone service;~~ *and rate payers.*

(8) one person to represent the organization operating the message relay service to be appointed by the governor at the time the board contracts with the organization pursuant to section 237.54.

Sec. 8. Minnesota Statutes 1992, section 237.51, subdivision 4, is amended to read:

Subd. 4. [MEETINGS.] The board shall meet at least monthly until December 31, 1988, and at least quarterly thereafter *annually.*

Sec. 9. Minnesota Statutes 1992, 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 telecommunication* 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) reestablish and fill the position of program administrator whose position is in the unclassified service *and establish and fill other positions in the classified service required to conduct the business of the board;*

(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 board*

determines that otherwise they will be economically harmed by implementation of sections 237.50 to 237.56.

Sec. 10. Minnesota Statutes 1992, section 237.51, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATIVE SUPPORT.] The commissioner of the department of administration shall provide staff assistance not including the program administrator *and other board staff* who *is are* to be chosen by the board, administrative services, and office space under a contract with the board. The board shall reimburse the commissioner for services, staff, and space provided. The board may request necessary information from the supervising officer of any state agency.

Sec. 11. Minnesota Statutes 1992, section 237.52, subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT.] The board shall annually recommend to the commission an adequate and appropriate mechanism to implement sections 237.50 to 237.56. *The public utilities commission shall review the board's budget for reasonableness and may modify the budget to the extent it is unreasonable.* The commission shall annually determine the funding mechanism to be used within 60 days of receipt of the recommendation of the program administrator and shall order the imposition of surcharges effective on the earliest practicable date. The commission shall establish a monthly charge no greater than ~~ten~~ 20 cents for each customer access line, including trunk equivalents as designated by the commission pursuant to section 403.11; subdivision 1.

Sec. 12. Minnesota Statutes 1992, section 237.52, subdivision 5, is amended to read:

Subd. 5. [EXPENDITURES.] Money in the fund may only be used for:

(1) expenses of the board, including personnel cost, public relations, board members' expenses, preparation of reports, and other reasonable expenses not to exceed 20 percent of total program expenditures;

(2) reimbursing the commissioner of human services for purchases made or services provided pursuant to section 237.53;

(3) reimbursing telephone companies for purchases made or services provided under section 237.53, subdivision 5; and

(4) contracting for establishment and operation of the ~~message~~ *telecommunication* relay service required by section 237.54.

All costs directly associated with the establishment of the board and program, the purchase and distribution of communication devices, and the establishment and operation of the ~~message~~ *telecommunication* relay service are either reimbursable or directly payable from the fund after authorization by the board. Notwithstanding section 16A.41, the board may advance money to the contractor of the ~~message~~ *telecommunication* relay service if the contractor establishes to the board's satisfaction that the advance payment is necessary for the operation of the service. The advance payment may be used only for working capital reserve for the operation of the service. The advance payment must be offset or repaid by the end of the contract fiscal year together with interest accrued from the date of payment.

Sec. 13. Minnesota Statutes 1992, section 237.54, is amended to read:

237.54 [MESSAGE TELECOMMUNICATION RELAY SERVICE.]

Subdivision 1. [ESTABLISHMENT.] The board shall contract with an inter-LATA interexchange telephone service provider to establish a third-party ~~message telecommunication~~ relay service with an "800" number to enable telecommunication between communication-impaired persons and non-communication-impaired persons.

Subd. 2. [OPERATION.] The board shall contract with a local consumer organization that serves communication-impaired persons for operation of the ~~message telecommunication~~ relay system. The board shall contract with a local consumer organization that serves communication-impaired persons for operation of the ~~message telecommunication~~ relay system. *The board may contract with other than a local consumer organization if the board finds by at least a two-thirds majority vote that no local consumer organization is available to enter into or perform a reasonable contract to operate a telecommunications relay system.* The operator of the system shall keep all messages confidential, shall train personnel in the unique needs of communication-impaired people, and shall inform communication-impaired persons and the public of the availability and use of the system. The operator shall not relay a message unless it originates or terminates through a communication device for the deaf or a ~~teletype device~~ *braille device for use with a telephone.*

Sec. 14. Minnesota Statutes 1992, section 237.55, is amended to read:

237.55 [REPORTS; PLANS.]

The board shall prepare a report for presentation to the commission not later than December 31, 1987, to include plans for distributing communication devices and establishing a third-party message relay service and a recommendation for a funding mechanism pursuant to section 237.52, subdivision 2. The provision of service required under sections 237.50 to 237.56 may begin when the plan is approved by the commission or March 1, 1988, whichever is earlier.

Beginning in 1988, The board must prepare a report for presentation to the commission by ~~December~~ *January* 31 of each year through the year 1992. Each report must review the accessibility of the telephone system to communication-impaired persons, review the ability of non-communication-impaired persons to communicate with communication-impaired persons via the telephone system, describe services provided, account for money received and disbursed annually for each aspect of the program to date, and include predicted future operation until the final report.

The final report must, in detail, describe program operation and make recommendations for the funding and service level for necessary ongoing services. The commission may recommend changes in the program to the legislature throughout its operation and shall make a recommendation to the legislature by February 1, 1993, for the future provision and maintenance of the services.

Sec. 15. Laws 1987, chapter 308, section 8, is amended to read:

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective July 1, 1987, and are repealed effective June 30, 1993.

Sec. 16. [REPORT BY TACIP BOARD.]

*The telecommunication access for communication-impaired persons board shall report to the legislature by February 1, 1994, on the reasonableness of charging for toll calls made through the telecommunication relay service. The report shall include the economic and policy factors considered by the board.*

Sec. 17. [PUBLIC UTILITIES COMMISSION TRANSITIONAL AUTHORITY.]

*The public utilities commission is authorized to do all things necessary to ensure that a surcharge increase authorized by section 11 is implemented by July 1, 1993.*

Sec. 18. [EFFECTIVE DATE.]

*Sections 1 to 6, 8 to 12, 14, and 16, are effective July 1, 1993. Sections 7, 13, 15, and 17 are effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.50, subdivisions 3, 4, 11, and by adding subdivisions; 237.51, subdivisions 1, 2, 4, 5, and 6; 237.52, subdivisions 2 and 5; 237.54; 237.55; and Laws 1987, chapter 308, section 8."*

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

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

S.F. No. 64: A bill for an act relating to game and fish; seasons for taking deer by muzzle-loading firearms; amending Minnesota Statutes 1992, section 97B.311.

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

Delete everything after the enacting clause and insert:

*"Section 1. [EXPANDING MUZZLE-LOADING HUNTING AREAS.]*

*The commissioner of natural resources, in setting seasons under Minnesota Statutes, section 97B.311, shall consider expanding the areas where deer may be taken with muzzle-loading firearms."*

Amend the title as follows:

Page 1, line 3, delete everything after "firearms" and insert a period

Page 1, delete line 4

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

H.F. No. 421: A bill for an act relating to state parks; authorizing an addition to Charles A. Lindbergh state park.

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. 490: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land that borders public water in Washington county to the city of Oakdale.

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

Page 1, line 14, before the period, insert "*and must require that any sales by the city of Oakdale of the land described in paragraph (c) be by public sale to the highest bidder*"

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

Mr. Metzén from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1: A bill for an act relating to state government; reorganizing, consolidating, and restructuring state agencies and departments; requiring establishment of worker participation committees before agency restructuring; creating the department of environmental protection and conservation, the board of environmental review, and the office of assistance and public advocacy; transferring all powers and duties of the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response compensation board; transferring certain powers and duties of the departments of agriculture, health, public safety, trade and economic development, and transportation; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 15A.081, subdivision 1; and 43A.045; proposing coding for new law as Minnesota Statutes, chapters 100A; and 100B.

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

Delete everything after the enacting clause and insert:

"Section 1. [REORGANIZATION; GOALS.]

*The legislature finds that it is desirable to reorganize state services relating to the protection of the environment, protection of farmland, and the management of natural resources to achieve the following goals:*

(1) *sustainable development throughout all regions of the state and all sectors of the economy;*

(2) *improved delivery of services;*

(3) *a preventative, precautionary approach to environmental degradation;*



(4) citizen participation in all relevant decision-making processes and at meaningful points in the processes; and

(5) progressively less air, land, and water pollution.

Sec. 2. [REORGANIZATION; OUTCOMES.]

Reorganization must achieve the following outcomes:

(1) increased citizen access to pertinent, understandable information relating to environmental protection, farmland protection, and natural resources management;

(2) better citizen representation, access, and information through an office of public information and advocacy;

(3) decentralization of the service-delivery system for the benefit of citizens of the state as consumers of services;

(4) an ecosystem based, integrated service delivery system that includes the elimination of multiple access points to receive the same or related services;

(5) development of the polluter-pays principle through a balanced system of regulatory controls and financial incentives;

(6) integrated licensing and permitting through a single access point;

(7) flattening of the internal organization of the delivery system with processes designed to encourage cooperation, consensus, and participation of management and workers;

(8) the capacity to identify and capture cost savings where those savings can be made without reducing the ability to implement the state's environmental policy;

(9) the flexibility to enable state and local governments to coordinate and cooperate as well as identify and address existing and emerging environmental issues of state, national, and international import;

(10) increased system accountability by reducing the number of executive administrators reporting directly to the governor; and

(11) a commitment to adequate staff development resources sufficient to implement the reorganization:

Sec. 3. [TASK FORCE.]

Subdivision 1. [MEMBERSHIP.] Within 30 days of the effective date of this section, the governor shall convene a task force consisting of three facilitators and three groups:

(1) a group consisting of 10 to 15 persons from agencies listed in section 5 who are members of the managerial plan established under Minnesota Statutes, section 43A.18, subdivision 3, appointed by the governor;

(2) a group consisting of employees from agencies listed in section 5 who are represented by exclusive representatives, selected by the exclusive representatives of employees of those agencies; and

(3) a group consisting of not more than 20 persons jointly appointed by the speaker of the house of representatives and the majority leader of the senate, including:

(i) representatives of agricultural interests, environmental and conservation organizations, sportsmen's groups, and business;

(ii) a representative of an institution of higher education with expertise in natural sciences;

(iii) a representative of an institution of higher education with expertise in agriculture;

(iv) an attorney experienced in environmental law;

(v) a member of the environmental consulting community; and

(vi) a member of the civil engineering community.

The groups described in clauses (1) and (2) must include managers and classified employees from work stations outside the metropolitan area described in Minnesota Statutes, section 473.121, subdivision 2. Organizations, occupations, and industries described in clause (3) may submit the names of persons they wish considered for appointment to the task force under that clause.

The governor, the speaker of the house of representatives, and the majority leader of the senate shall jointly appoint a facilitator for each group.

Subd. 2. [ACTIVITIES.] Members of the task force established by subdivision 1 shall serve as partners in changing the delivery of state services and the performance of state functions. Each group of the task force shall initially meet separately to develop its own recommendations for a governmental structure to perform the functions and provide the services affected by section 5 in furtherance of the outcomes listed in section 2. A facilitator shall assist each group. Each group must complete its recommendations by October 1, 1993. By September 1, 1993, each group shall select from its membership representatives to a joint committee, as follows:

(1) two representatives from the group established by subdivision 1, clause (1);

(2) three representatives from the group established by subdivision 1, clause (2); and

(3) five representatives from the group established by subdivision 1, clause (3), who must be private citizens.

The joint committee shall begin meeting as soon as practicable after October 1, 1993, and shall develop a recommendation for a governmental structure to perform the functions and provide the services affected by section 5 in furtherance of the goals and outcomes listed in sections 1 and 2. The recommendation must address ways to obtain input from local and regional governmental units, including cities, counties, metropolitan and regional agencies, soil and water conservation districts, watershed districts, and watershed management organizations, in order to achieve the coordinated and cooperative outcome called for by section 2, clause (9). The speaker of the house of representatives and the majority leader of the senate may provide legislative staff support to the joint committee upon its request. A facilitator shall chair meetings of the joint committee and serve as a nonvoting member. The joint committee shall submit its recommendation for reorganization to the governor and the legislature by January 15, 1994.

Sec. 4. [EMPLOYEE PARTICIPATION COMMITTEE.]

(a) Before a restructuring of executive branch agencies in accordance with section 5, a committee including representatives of employees and employers within each affected agency must be established and be given adequate time to perform the functions prescribed by paragraph (b). Each exclusive representative of employees shall select a committee member from each of its bargaining units in each affected agency. The head of each agency shall select an employee member from each unit of employees not represented by an exclusive representative. The agency head shall also appoint one or more committee members to represent the agency. The number of members appointed by the agency head, however, may not exceed the total number of members representing bargaining units.

(b) A committee established under paragraph (a) shall:

- (1) identify tasks related to agency reorganization and adopt plans for addressing those tasks;
- (2) identify other employer and employee issues related to reorganization and adopt plans for addressing those issues;
- (3) adopt detailed plans for providing retraining for affected employees; and
- (4) guide the implementation of the reorganization.

Sec. 5. [ABOLITION OF AGENCIES, POWERS, AND DUTIES.]

Subdivision 1. [AGENCIES.] The department of natural resources, the board of water and soil resources, the office of waste management, the pollution control agency, the environmental quality board, the harmful substances compensation board, the petroleum tank release compensation board, and the agricultural chemical response board are abolished.

Subd. 2. [POWERS AND DUTIES.] (a) The following powers and duties of the department of agriculture are abolished:

- (1) regulation of fertilizers, soil amendments, agricultural liming, and plant amendments under Minnesota Statutes, chapter 18C;
- (2) pesticide control under Minnesota Statutes, chapter 18B;
- (3) agriculture chemical incident response and cleanup under Minnesota Statutes, chapter 18D;
- (4) chemical incident reimbursement under Minnesota Statutes, chapter 18E;
- (5) urban forest promotion under Minnesota Statutes, section 17.86;
- (6) mosquito abatement under Minnesota Statutes, sections 18.041 to 18.161;
- (7) groundwater protection under Minnesota Statutes, chapter 103H; and
- (8) oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E.

(b) The following powers and duties of the department of health are abolished:

- (1) the water well program under Minnesota Statutes, chapter 103I;
- (2) the safe drinking water program under Minnesota Statutes, sections 144.381 to 144.387;
- (3) health risk assessment under Minnesota Statutes, section 115B.17, subdivision 10;
- (4) domestic water supply protection under Minnesota Statutes, sections 144.35 to 144.37;
- (5) asbestos contractor licensing under Minnesota Statutes, sections 326.70 to 326.81;
- (6) public health laboratory regulation under Minnesota Statutes, section 144.98;
- (7) lead abatement under Minnesota Statutes, sections 144.871 to 144.879;
- (8) hazardous substance exposure under Minnesota Statutes, section 145.94;
- (9) mosquito research under Minnesota Statutes, section 144.95;
- (10) water supply monitoring and health assessments under Minnesota Statutes, section 473.845, subdivision 2; and
- (11) health risk limits under Minnesota Statutes, section 103H.201.
- (c) The following powers and duties of the department of trade and economic development are abolished:
- (1) energy loans under Minnesota Statutes, sections 216C.36 and 216C.37;
- (2) outdoor recreation grants under Minnesota Statutes, section 116J.406; and
- (3) environmental permit coordination under Minnesota Statutes, sections 116C.22 to 116C.34.
- (d) The following powers and duties of the department of public service are abolished: energy conservation under Minnesota Statutes, sections 216C.01 to 216C.35 and 216C.373 to 216C.381.
- (e) The following powers and duties of the department of transportation are abolished:
- (1) oil and hazardous substance discharge preparedness under Minnesota Statutes, chapter 115E; and
- (2) hazardous waste shipment and licensing under Minnesota Statutes, sections 221.033 to 221.036 and 221.172.
- (f) The powers and duties of the metropolitan council relating to metropolitan solid and hazardous waste under Minnesota Statutes, sections 473.801 to 473.849, are abolished.

Subd. 3. [EFFECTIVE DATE.] This section is effective July 1, 1995, and does not affect functions of the department of natural resources relating to the game and fish fund during the biennium beginning July 1, 1993.

Sec. 6. [BUDGET FOR NEXT BIENNIUM.]

*In preparing a proposed budget for the biennium beginning July 1, 1995, the governor shall include an amount to cover the functions performed and services provided by the agencies abolished in section 5, subdivision 1, and the functions abolished by section 5, subdivision 2. The amount allocated for those functions and services must be at least equal to the amount appropriated for those functions and services in fiscal years 1994 and 1995, adjusted for inflation as measured by the Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor. The budget must include an amount for staff development in accordance with Minnesota Statutes, section 43A.045, and a substantial increase in overall expenditures for staff development. The budget may not require the layoff of classified employees or unclassified employees covered by a collective bargaining agreement except as provided in a plan negotiated under Minnesota Statutes, chapter 179A, that provides options to layoff for employees who would be affected. The governor's budget must be in conformance with any reorganization plan enacted by the legislature in 1994 in response to the recommendation submitted by the task force under section 3. If no reorganization plan is enacted in 1994, the governor's budget must take into account the reorganization recommendations of the task force, as well as any additional or alternative recommendations of the governor."*

Delete the title and insert:

"A bill for an act relating to state government; abolishing the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, the agricultural chemical response compensation board; abolishing certain powers and duties of the departments of agriculture, health, public service, trade and economic development, and transportation and the metropolitan council; establishing a task force; requiring establishment of an employee participation committee before agency restructuring."

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

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

H.F. No. 442 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.
				442	169

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 442 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 442 and insert the language after the enacting clause of S.F. No. 169, the first engrossment; further, delete the title of H.F. No. 442 and insert the title of S.F. No. 169, the first engrossment.

And when so amended H.F. No. 442 will be identical to S.F. No. 169, and further recommends that H.F. No. 442 be given its second reading and substituted for S.F. No. 169, 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. 203 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.
203	94				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 203 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 203 and insert the language after the enacting clause of S.F. No. 94, the first engrossment; further, delete the title of H.F. No. 203 and insert the title of S.F. No. 94, the first engrossment.

And when so amended H.F. No. 203 will be identical to S.F. No. 94, and further recommends that H.F. No. 203 be given its second reading and substituted for S.F. No. 94, 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. 296 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.
296	276				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 296 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 296 and insert the language after the enacting clause of S.F. No. 276, the first engrossment; further, delete the title of H.F. No. 296 and insert the title of S.F. No. 276, the first engrossment.

And when so amended H.F. No. 296 will be identical to S.F. No. 276, and further recommends that H.F. No. 296 be given its second reading and substituted for S.F. No. 276, 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. 495, 821, 406, 789, 440, 452, 692, 64 and 490 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 421, 442, 203 and 296 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Pogemiller moved that the names of Messrs. Stumpf and Johnson, D.J. be added as co-authors to S.F. No. 1. The motion prevailed.

Ms. Piper moved that the name of Mr. Merriam be added as a co-author to S.F. No. 353. The motion prevailed.

Mr. Solon moved that the name of Mr. Benson, D.D. be added as a co-author to S.F. No. 739. The motion prevailed.

Mr. Riveness moved that the name of Mr. McGowan be added as a co-author to S.F. No. 867. The motion prevailed.

Ms. Krentz moved that the name of Mr. Novak be added as a co-author to S.F. No. 877. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Belanger be added as a co-author to S.F. No. 956. The motion prevailed.

Ms. Berglin moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 968. The motion prevailed.

Mr. Terwilliger moved that the name of Mr. Merriam be added as a co-author to S.F. No. 986. The motion prevailed.

Mr. Kelly moved that the names of Mr. Benson, D.D. and Ms. Berglin be added as co-authors to S.F. No. 1015. The motion prevailed.

Mr. Spear moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1024. The motion prevailed.

Mr. Metzen moved that the name of Mr. Murphy be added as a co-author to S.F. No. 1055. The motion prevailed.

Mr. Stumpf moved that S.F. No. 124 be withdrawn from the Committee on Education and re-referred to the Committee on Metropolitan and Local Government. The motion prevailed.

Mr. Novak moved that S.F. No. 1005 be withdrawn from the Committee on Metropolitan and Local Government and re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Mr. Mondale moved that S.F. No. 1026 be withdrawn from the Committee on Metropolitan and Local Government and re-referred to the Committee on Jobs, Energy and Community Development. The motion prevailed.

Mr. Bertram, Mrs. Pariseau, Messrs. Johnson, D.E.; Vickerman and Kroening introduced—

Senate Resolution No. 32: A Senate resolution commending the Minnesota Air National Guard for its outstanding performance and professionalism.

Referred to the Committee on Rules and Administration.

Messrs. Samuelson, Sams, Vickerman, Ms. Wiener and Mr. Belanger introduced—

Senate Resolution No. 33: A Senate resolution commemorating the service to Minnesota and the nation of the National Guard members killed and injured at Camp Ripley.

Referred to the Committee on Rules and Administration.

Mr. Benson, D.D. moved that S.F. No. 149, No. 2 on General Orders, be stricken and returned to its author. 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 H.F. No. 442 and that the rules of the Senate be so far suspended as to give H.F. No. 442, now on the Calendar, its third reading and place it on its final passage. The motion prevailed.

H.F. No. 442: A bill for an act relating to education; appropriating money for a deficiency in HECB appropriations.

With the unanimous consent of the Senate, Mr. Frederickson moved that the amendment made to H.F. No. 422 by the Committee on Rules and Administration in the report adopted March 22, 1993, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 442 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	Dille	Krentz	Murphy	Robertson
Anderson	Finn	Laidig	Neuville	Runbeck
Belanger	Flynn	Langseth	Novak	Sams
Benson, D.D.	Frederickson	Larson	Oliver	Samuelson
Benson, J.E.	Hanson	Lesewski	Olson	Solon
Berg	Hoffinger	Lessard	Pappas	Spear
Berglin	Janezich	Luther	Pariseau	Stevens
Bertram	Johnson, D.E.	Marty	Piper	Stumpf
Betzold	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chandler	Johnson	Merriam	Price	Vickerman
Chmielewski	Kelly	Metzen	Ranum	Wiener
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Morse	Riveness	

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Cohen moved that S.F. No. 1036 be withdrawn from the Committee on



Commerce and Consumer Protection and re-referred to the Committee on Judiciary. The motion prevailed.

Ms. Reichgott moved that S.F. No. 40 be taken from the table. The motion prevailed.

S.F. No. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; establishing duties of health care providers for the provision of life-sustaining health care; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 145B; proposing coding for new law as Minnesota Statutes, chapter 145C; repealing Minnesota Statutes 1992, section 145B.10.

Ms. Reichgott moved that the Senate do not concur in the amendments by the House to S.F. No. 40, 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.

### CALENDAR

H.F. No. 174: A bill for an act relating to occupations and professions; requiring manufactured home installers to be licensed by the state; amending Minnesota Statutes 1992, sections 326.83, subdivision 4, and by adding subdivisions; and 327.31, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 326.

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

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 729: A bill for an act relating to corrections; requiring the ombudsman to make biennial reports to the governor; amending Minnesota Statutes 1992, section 241.45, 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	Dille	Krentz	Mondale	Riveness
Anderson	Finn	Kroening	Morse	Robertson
Belanger	Flynn	Laidig	Murphy	Sams
Benson, D.D.	Frederickson	Langseth	Neuville	Samuelson
Benson, J.E.	Hanson	Larson	Novak	Spear
Berg	Hottinger	Lesewski	Olson	Stevens
Berglin	Janezich	Lessard	Pappas	Stumpf
Bertram	Johnson, D.E.	Luther	Pariseau	Terwilliger
Betzold	Johnson, J.B.	Marty	Piper	Vickerman
Chandler	Johnston	McGowan	Pogemiller	Wiener
Chmielewski	Kelly	Merriam	Price	
Cohen	Kiscaden	Metzen	Ranum	
Day	Knutson	Moe, R.D.	Reichgott	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Ms. Berglin in the chair.

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

S.F. Nos. 98, 99, 229, 235, 281, 283, 192, 313, 434, 247, 234, 567, 371 and H.F. Nos. 145, 97, 358, which the committee recommends to pass.

H.F. No. 159, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Amend H.F. No. 159, as amended pursuant to Rule 49, adopted by the Senate March 15, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 158.)

Delete everything after the enacting clause and insert:

“Section 1. [CAPITAL LOAN CONTRACT DEADLINE EXTENSION.]

*Notwithstanding Minnesota Statutes 1992, section 124.431, subdivision 1, for capital loans granted prior to April 1, 1993, contracts must be entered into within 30 months after the date on which the loan is granted.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective retroactive to July 1, 1992.”*

Delete the title and insert:

“A bill for an act relating to education; extending the time for school districts receiving capital loans prior to April 1, 1993, to enter into construction contracts.”

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. Solon, Ms. Wiener, Messrs. Metzen, Belanger and Larson introduced—

S.F. No. 1129: A bill for an act relating to financial institutions; regulating institutions, deposits, rates and charges, enforcement provisions; modifying the definition of insurance premium finance licensee; amending Minnesota Statutes 1992, sections 45.025, by adding a subdivision; 46.044; 46.048, subdivision 1; 46.09; 47.0156; 47.096; 47.20, subdivision 4a; 47.52; 47.54, subdivision 4; 47.55, subdivision 1; 47.56; 48.04; 48.05; 48.09; 48.194; 48.24, subdivisions 1, 7, and 8; 48.61, subdivisions 2 and 4; 49.35; 49.36, subdivisions 1 and 4; 51A.02, subdivision 43; 52.04, subdivision 1, and by adding a subdivision; 52.12; 53.03, subdivision 5; 53.04, by adding a subdivision; 53.09, by adding a subdivision; 56.10; 56.131, subdivision 1; 56.155, subdivision 1; 59A.02, subdivision 3; 82B.03, subdivision 2; 300.20, subdivision 2; 300.21; 336.4-104; proposing coding for new law in Minnesota Statutes, chapter 56; repealing Minnesota Statutes 1992, sections 46.048, subdivision 2; and 48.24, subdivision 4.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Bertram, Morse, Dille and Lessard introduced—

S.F. No. 1130: A bill for an act relating to agriculture; eliminating a surcharge on pesticide registration fees; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; exempting certain pesticides from the ACRRA surcharge; amending Minnesota Statutes 1992, sections 18B.26, subdivision 3; and 18E.03, subdivisions 2 and 5.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Bertram and Dille introduced—

S.F. No. 1131: A bill for an act relating to animal health; appropriating money for study of paratuberculosis in cattle.

Referred to the Committee on Agriculture and Rural Development.

Ms. Johnson, J.B.; Messrs. Morse, Laidig and Merriam introduced—

S.F. No. 1132: A bill for an act relating to the environment; restructuring the hazardous waste generator tax; establishing the hazardous waste generator loan program; establishing the hazardous waste generator loan account; appropriating money; amending Minnesota Statutes 1992, sections 115B.22, by adding a subdivision; and 115B.24, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 115B; repealing Minnesota Statutes 1992, sections 115B.21, subdivisions 4, 5, and 6; and 115B.22, subdivisions 1, 2, 3, 4, 5, and 6.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse; Johnson, D.J.; Merriam; Mondale and Frederickson introduced—

S.F. No. 1133: A bill for an act relating to the environment; establishing an environmental cleanup program for landfills; imposing an additional property and casualty insurance premium tax; establishing a hazardous and problem

products waste management tax; providing penalties; appropriating money; abolishing the metropolitan landfill contingency action trust fund; transferring trust fund assets; amending Minnesota Statutes 1992, sections 115.073; 115B.42; 383D.71, subdivision 1; 473.801, subdivisions 1 and 4; 473.841; 473.842, subdivision 1; and 473.843, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 60A; 115A; and 115B; repealing Minnesota Statutes 1992, sections 473.842, subdivisions 1a, 4a, and 5; 473.845; and 473.847.

Referred to the Committee on Environment and Natural Resources.

Messrs. Luther, Solon and Metzen introduced—

S.F. No. 1134: A bill for an act relating to insurance; regulating fees, data collection, coverages, notice provisions, enforcement provisions, the Minnesota joint underwriting association and the liquor liability assigned risk plan; enacting the NAIC model regulation relating to reporting requirements for licensees seeking to do business with certain unauthorized multiple employer welfare arrangements; making various technical changes; amending Minnesota Statutes 1992, sections 13.71, by adding subdivisions; 45.024, subdivision 2; 59A.12, by adding a subdivision; 60A.02, by adding a subdivision; 60A.03, subdivisions 5 and 6; 60A.052, subdivision 2; 60A.082; 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.21, subdivision 2; 60C.22; 60K.06; 60K.14, subdivision 4; 60K.19, subdivision 8; 61A.02, subdivision 2; 61A.031; 61A.04; 61A.07; 61A.071; 61A.073; 61A.074, subdivision 1; 61A.08; 61A.09, subdivision 1; 61A.092, by adding a subdivision; 61A.12, subdivision 1; 62A.047; 62A.148; 62A.153; 62A.43, subdivision 4; 62E.19, subdivision 1; 62H.01; 62I.02; 62I.03; 62I.07; 65A.01, subdivision 1; 65A.29, subdivision 7; 65B.49, subdivision 3; 72A.20, by adding a subdivision; 72A.201, subdivision 9; 72A.41, subdivision 1; 72B.03, subdivision 1; 72B.04, subdivision 2; 176.181, subdivision 2; 340A.409, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 45; 62A; 62H; repealing Minnesota Statutes 1992, sections 72A.45; 72B.07; Minnesota Rules, parts 2783.0010; 2783.0020; 2783.0030; 2783.0040; 2783.0050; 2783.0060; 2783.0070; 2783.0080; 2783.0090; and 2783.0100.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Luther and Solon introduced—

S.F. No. 1135: A bill for an act relating to insurance; establishing and regulating the life and health guaranty association; providing for its powers and duties; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 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.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin, Mr. Samuelson, Meses. Kiscaden, Piper and Mr. Sams introduced—

S.F. No. 1136: A bill for an act relating to dental services under the medical assistance, general assistance medical care, and MinnesotaCare programs; providing for payment of dental services on a prospective per capita basis; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health Care.

Messrs. Janezich; Johnson, D.J.; Moe, R.D.; Stumpf and Solon introduced—

S.F. No. 1137: A bill for an act relating to education; creating three accounts in the permanent university fund; making allocations from the accounts; amending Minnesota Statutes 1992, section 137.022, subdivision 3, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Morse, Ms. Johnson, J.B.; Messrs. Murphy and Novak introduced—

S.F. No. 1138: A bill for an act relating to utilities; prohibiting state permits for construction of certain hydropower facilities on the bluffs of the Mississippi river; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Messrs. Solon and Metzen introduced—

S.F. No. 1139: A bill for an act relating to the organization of state government; abolishing the department of public service; abolishing the residential and small business utilities division of the office of the attorney general; reducing the size of the public utilities commission; transferring the utility regulatory responsibilities of the department of public service to the department of commerce; transferring the energy and conservation improvement responsibilities of the department of public service to the public utilities commission; transferring the division of weights and measures to the department of agriculture; amending Minnesota Statutes 1992, sections 15.01; 116C.03, subdivision 2; 216A.01; 216A.03, subdivision 1; 216A.035; 216A.036; 216A.04; 216A.05, by adding a subdivision; 216A.07, subdivision 1, and by adding a subdivision; 216A.085; 216A.095; 216B.02, subdivisions 7, 8, and by adding subdivisions; 216B.162, subdivision 7; 216B.241, subdivisions 1 and 2; 216C.01; 216C.10; 216C.36, subdivision 11; 216C.37, subdivision 1; 237.02; 237.075, subdivision 2; 239.01; 239.05, subdivisions 6c, 7a, and 8; 446A.10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 216C; repealing Minnesota Statutes 1992, sections 8.33; 216A.06; and 216C.01, subdivisions 2 and 3.

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

Messrs. Metzen and Solon introduced—

S.F. No. 1140: A bill for an act relating to retirement; teachers; calculation of annuities based upon the highest three years of service; amending Minnesota Statutes 1992, section 354.44, subdivision 6.

Referred to the Committee on Governmental Operations and Reform.

Mr. Hottinger, Mrs. Adkins, Messrs. Luther, Mondale and Johnson, D.E. introduced—

S.F. No. 1141: A bill for an act relating to cities; allowing the use of

self-insurance funds or pools to satisfy statutory bond requirements; amending Minnesota Statutes 1992, section 471.981, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Mses. Flynn, Pappas, Mr. Vickerman, Mses. Hanson and Krentz introduced—

S.F. No. 1142: A bill for an act relating to transportation; prohibiting parking in transit stops marked with a handicapped sign; establishing priority for transit in energy emergencies; requiring motor vehicles to yield to transit buses entering traffic; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.20, by adding a subdivision; 169.346, subdivision 1; and 216C.15, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Ms. Olson, Messrs. Chmielewski, Langseth, Belanger and Vickerman introduced—

S.F. No. 1143: A bill for an act relating to metropolitan government; removing date restrictions for establishing replacement transit service programs in eligible communities in metropolitan area; amending Minnesota Statutes 1992, section 473.388, subdivision 2.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Marty and Novak introduced—

S.F. No. 1144: A bill for an act relating to energy conservation; clarifying maximum energy consumption requirements for certain exit lamps; amending Minnesota Statutes 1992, sections 16B.61, subdivision 3; and 299F.011, subdivision 4c.

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

Mr. Neuville introduced—

S.F. No. 1145: A bill for an act relating to corrections; prohibiting sale or marketing of correctional facility products that are in unfair competition with local business products; proposing coding for new law in Minnesota Statutes, chapter 243.

Referred to the Committee on Crime Prevention.

Ms. Berglin introduced—

S.F. No. 1146: A bill for an act relating to health; modifying provisions relating to the moratorium on certification of nursing home beds; amending Minnesota Statutes 1992, sections 144A.071; 144A.073, subdivisions 2 and 3; and 256B.431, subdivisions 2b and 21; repealing Minnesota Statutes 1992, section 144A.071, subdivisions 4 and 5.

Referred to the Committee on Health Care.

Mr. Metzen, Ms. Wiener and Mr. Price introduced—

S.F. No. 1147: A bill for an act appropriating money to the commissioner of trade and economic development to fund the international ringette tournament.

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

Messrs. Bertram, Vickerman and Chmielewski introduced—

S.F. No. 1148: A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, subdivision 5.

Referred to the Committee on Transportation and Public Transit.

Messrs. Kelly, Cohen, Meses. Anderson, Lesewski and Mr. Chandler introduced—

S.F. No. 1149: A bill for an act relating to firearms; providing that a person convicted of domestic assault with a firearm is not eligible to possess a pistol; amending Minnesota Statutes 1992, section 62A.713, subdivision 1.

Referred to the Committee on Crime Prevention.

Mses. Lesewski; Johnson, J.B.; Mr. Metzen and Ms. Runbeck introduced—

S.F. No. 1150: A bill for an act relating to employment; permitting a study of the feasibility of establishing a uniform business identifier; appropriating money.

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

Ms. Pappas and Mr. Metzen introduced—

S.F. No. 1151: A bill for an act relating to retirement; public employees retirement association; authorizing repayment of refund and payment of contributions by members and retirees of the St. Paul supervisors' organization; mandating certain payment by the city of St. Paul.

Referred to the Committee on Governmental Operations and Reform.

Mr. Betzold, Ms. Flynn, Messrs. Laidig, Pogemiller and McGowan introduced—

S.F. No. 1152: A bill for an act relating to metropolitan government; setting conditions for tax equivalent payments; amending Minnesota Statutes 1992, section 473.341.

Referred to the Committee on Metropolitan and Local Government.

Mr. Chmielewski introduced—

S.F. No. 1153: A bill for an act relating to Aitkin county; permitting a local liquor and restaurant tax.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Murphy and Mrs. Pariseau introduced—

S.F. No. 1154: A bill for an act relating to transportation; establishing a paratransit demonstration project in Dakota county.

Referred to the Committee on Transportation and Public Transit.

Ms. Wiener and Mr. Knutson introduced—

S.F. No. 1155: A bill for an act relating to transportation; establishing a paratransit demonstration project in Dakota county.

Referred to the Committee on Transportation and Public Transit.

Mr. Moe, R.D. introduced—

S.F. No. 1156: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Polk county.

Referred to the Committee on Environment and Natural Resources.

Mses. Ranum; Pappas; Johnson, J.B. and Mr. Kroening introduced—

S.F. No. 1157: A bill for an act relating to education; authorizing certain lower grades and certain programs to be located on any level of a school building if the building contains certain protections; amending Minnesota Statutes 1992, section 123.36, by adding a subdivision.

Referred to the Committee on Education.

Messrs. Novak; Chmielewski; Moe, R.D.; Hottinger and Johnson, D.J. introduced—

S.F. No. 1158: A bill for an act relating to workers' compensation; modifying provisions relating to adjustment of benefits; amending Minnesota Statutes 1992, section 176.645, subdivision 1.

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

Mses. Ranum and Flynn introduced—

S.F. No. 1159: A bill for an act relating to redevelopment; expanding eminent domain powers for cities of the first class; clarifying tax increment and neighborhood revitalization expenditure limitations; amending Minnesota statutes 1992, sections 469.012, subdivision 1; and 469.1831, subdivision 4.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Metzen and Finn introduced—

S.F. No. 1160: A bill for an act relating to local government; providing for the continuation of the Mississippi River parkway commission; amending Minnesota Statutes 1992, section 161.1419, subdivision 8.

Referred to the Committee on Transportation and Public Transit.

Mses. Ranum, Reichgott, Mr. McGowan, Ms. Wiener and Mr. Marty introduced—



S.F. No. 1161: A bill for an act relating to crime; expanding definition of domestic abuse to include terroristic threats; allowing child abuse interviews to be conducted at a designated location; amending Minnesota Statutes 1992, sections 518B.01, subdivision 2; and 626.556, subdivision 10.

Referred to the Committee on Crime Prevention.

Messrs. Benson, D.D.; Moe, R.D.; Ms. Kiscaden, Messrs. Hottinger and Stumpf introduced—

S.F. No. 1162: A bill for an act relating to state government; administrative rulemaking; changing the membership and duties of the LCRAR; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; authorizing agencies to adopt substantially different rules in certain circumstances; regulating notices of intent to solicit outside opinion, statements of need and reasonableness, and public hearing requirements; authorizing the governor to disapprove rules adopted after public hearing; eliminating the requirement that agencies review their rules and consider methods to reduce their impact on small business; appropriating money; amending Minnesota Statutes 1992, sections 3.841; 3.842, subdivision 5; 14.05, subdivision 2, and by adding a subdivision; 14.08; 14.09; 14.10; 14.115, subdivision 5; 14.131; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.23; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.32; 14.33; 14.34; 14.365; 14.47, subdivision 6; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Kroening, Luther, McGowan and Ms. Flynn introduced—

S.F. No. 1163: A bill for an act relating to capital improvements; 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.

Messrs. Price, Morse, Murphy and Ms. Krentz introduced—

S.F. No. 1164: A bill for an act relating to metropolitan government; appropriating money to the metropolitan council for developing metropolitan water use plans.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck, Messrs. Stumpf, Benson, D.D.; Hottinger and Ms. Robertson introduced—

S.F. No. 1165: A bill for an act relating to the legislature; requiring fiscal notes for bills affecting public employee benefits; requiring the preparation of an omnibus fiscal note or actuarial analysis covering the total effect of all pension and retirement bills before final action on any; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Samuelson, Bertram and Kroening introduced—

S.F. No. 1166: A bill for an act relating to plumbers; requiring plumbers in all cities to be licensed; amending Minnesota Statutes 1992, section 326.40, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Kroening introduced—

S.F. No. 1167: A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6, as amended.

Referred to the Committee on Metropolitan and Local Government.

Mr. Kroening introduced—

S.F. No. 1168: A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

Referred to the Committee on Environment and Natural Resources.

Messrs. Mondale; Novak; Pogemüller; Johnson, D.J. and Ms. Flynn introduced—

S.F. No. 1169: A bill for an act relating to public financing for cleanup of polluted lands and for manufacturing development; authorizing manufacturing tax increment financing districts; modifying the computation of original tax capacity; imposing a state tax on contaminated properties; establishing a grant program for cleanup of polluted lands; allowing use of tax increments for environmental insurance and indemnification; authorizing the cities of Minnetonka and Hopkins to establish tax increment financing districts; establishing a dedicated account; appropriating money; amending Minnesota Statutes 1992, sections 273.11, subdivision 1, and by adding a subdivision; 275.065, subdivision 3; 276.04, subdivision 2; 469.174, subdivisions 19 and 20; 469.176, subdivision 4e; 469.177, subdivisions 1 and 8; proposing coding for new law in Minnesota Statutes, chapters 116; 270; and 469.

Referred to the Committee on Environment and Natural Resources.

Messrs. Spear, Merriam and Beckman introduced—

S.F. No. 1170: A bill for an act relating to public defense; revising procedures governing operation of the public defense system; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 357.24; 609.5315, subdivision 5; 611.20; 611.25, subdivision 3, and by adding a subdivision; 611.26, subdivision 3; 611.27, subdivision 13; and 611.271; proposing coding for new law in Minnesota Statutes, chapter 611.

Referred to the Committee on Crime Prevention.

Mr. Spear, Ms. Ranum and Mr. Neuville introduced—

S.F. No. 1171: A bill for an act relating to crime; creating a commission on nonfelony enforcement to review the proportionality and enforcement of petty

misdeemeanor, misdemeanor, and gross misdemeanor offenses; requiring a report.

Referred to the Committee on Crime Prevention.

Messrs. Spear, McGowan, Solon, Janezich and Belanger introduced—

S.F. No. 1172: A bill for an act relating to financial institutions; prohibiting certain deposits in financial institutions; amending Minnesota Statutes 1992, section 48.512, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Johnson, D.J.; Beckman; Kroening; Chandler and Ms. Anderson introduced—

S.F. No. 1173: A bill for an act relating to housing; appropriating money for the housing trust fund.

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

Messrs. Benson, D.D. and Vickerman introduced—

S.F. No. 1174: A bill for an act relating to human services; providing legislative findings concerning funding of services for persons with mental disabilities; requiring disclosure of certain information; mandating certain actions relating to competitive bidding and delivery of services; establishing an advisory council.

Referred to the Committee on Health Care.

Mr. Betzold and Ms. Anderson introduced—

S.F. No. 1175: A bill for an act relating to animals; tightening laws prohibiting cruel treatment of certain animals; increasing certain penalties; amending Minnesota Statutes 1992, sections 343.21, subdivisions 9 and 10; and 346.44; proposing coding for new law in Minnesota Statutes, chapter 343.

Referred to the Committee on Crime Prevention.

Mr. Hottinger introduced—

S.F. No. 1176: A bill for an act relating to crimes; providing penalties for trespassing on school grounds; providing felony penalties for unlawfully possessing a gun or dangerous weapon while trespassing on school grounds; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Messrs. Luther and Betzold introduced—

S.F. No. 1177: A bill for an act relating to economic development; providing for concentrated area action plans; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Mr. Vickerman introduced—

S.F. No. 1178: A bill for an act relating to agriculture; declaring llamas to be livestock and raising llama to be an agricultural pursuit; defining llama farming as agricultural production for purposes of the sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; and 297A.01, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Mr. Price introduced—

S.F. No. 1179: A bill for an act relating to education; providing media center revenue for eligible school districts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

Referred to the Committee on Education.

Mr. Price introduced—

S.F. No. 1180: A bill for an act relating to education; appropriating money for access to INTERNET.

Referred to the Committee on Education.

Ms. Runbeck, Messrs. Kroening, Terwilliger, Ms. Reichgott and Mr. Larson introduced—

S.F. No. 1181: A bill for an act relating to economic development; creating a task force on the state's economic future and competitiveness; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Messrs. Chmielewski; Janezich; Moe, R.D.; Finn and Stevens introduced—

S.F. No. 1182: A bill for an act relating to 911 emergency telephone service; requiring automatic location identification and two dedicated circuits in each 911 emergency telephone service system; authorizing fee to fund enhanced 911 service; establishing 911 trust fund; amending Minnesota Statutes 1992, sections 403.01, by adding a subdivision; and 403.11; proposing coding for new law in Minnesota Statutes, chapter 403.

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

Messrs. Solon; Benson, D.D.; Johnson, D.J.; Bertram and Laidig introduced—

S.F. No. 1183: A bill for an act relating to taxation; sales and use; providing an exemption to cities or counties for certain correctional facilities projects; appropriating money; amending Minnesota Statutes 1992, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chmielewski, Langseth, Vickerman, Mses. Olson and Flynn introduced—

S.F. No. 1184: A bill for an act relating to transportation; authorizing road authorities to develop, finance, design, construct, improve, rehabilitate, own, and operate toll facilities and to enter into agreements with private operators for the construction, maintenance, and operation of toll facilities; proposing coding for new law in Minnesota Statutes, chapter 160.

Referred to the Committee on Transportation and Public Transit.

Messrs. Neuville, McGowan, Ms. Ranum and Mr. Kelly introduced—

S.F. No. 1185: A bill for an act relating to juveniles; authorizing the commissioner of human services to pay for the cost of chemical use assessments; amending Minnesota Statutes 1992, section 260.151, subdivision 1.

Referred to the Committee on Health Care.

Messrs. Johnson, D.J.; Chmielewski; Ms. Johnson, J.B.; Messrs. Frederickson and Beckman introduced—

S.F. No. 1186: A bill for an act relating to housing; appropriating money for housing-related grants.

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

Mr. Pogemiller, Ms. Kiscaden and Mr. Chandler introduced—

S.F. No. 1187: A bill for an act relating to health care; clarifying the uniform anatomical gift act; retroactively defining organ donation as the rendition of a service; amending Minnesota Statutes 1992, section 525.9221.

Referred to the Committee on Health Care.

Mr. Price introduced—

S.F. No. 1188: A bill for an act relating to child labor; changing penalty provisions of the child labor law; amending Minnesota Statutes 1992, section 181A.12.

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

Mr. Sams introduced—

S.F. No. 1189: A bill for an act relating to taxation; property; allowing the reduced class rate on commercial and industrial property to apply to the first \$100,000 of market value on property in each county; amending Minnesota Statutes 1992, section 273.13, subdivision 24.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Morse; Luther; Sams; Moe, R.D. and Langseth introduced—

S.F. No. 1190: A bill for an act relating to agriculture; prohibiting certain farming operations by corporations and limited partnerships; amending Minnesota Statutes 1992, section 500.24, subdivision 3.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Sams, Riveness, Ms. Piper and Mr. Solon introduced—

S.F. No. 1191: A bill for an act relating to human services; increasing maximum medical assistance rates to cover the cost of one-to-one staffing for persons with severe behavioral needs; amending Minnesota Statutes 1992, section 252.46, subdivision 3.

Referred to the Committee on Health Care.

Mr. Kelly introduced—

S.F. No. 1192: A bill for an act relating to courts; making the housing calendar consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

Referred to the Committee on Judiciary.

Mr. Langseth introduced—

S.F. No. 1193: A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

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

Mr. Mondale, Ms. Flynn, Mr. Betzold, Ms. Pappas and Mr. Oliver introduced—

S.F. No. 1194: A bill for an act relating to taxation; property; providing that certain special taxing districts are subject to the truth in taxation provisions; amending Minnesota Statutes 1992, sections 275.065, subdivisions 3, 5a, and 6; and 276.04, subdivision 2.

Referred to the Committee on Metropolitan and Local Government.

Ms. Berglin, Mr. Benson, D.D.; Ms. Piper, Mr. Sams and Ms. Kiscaden introduced—

S.F. No. 1195: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary commitments by health plans and providers to limit the rate of growth in total revenues; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, and 8; 62J.15, subdivisions 1 and 2;

62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353, subdivisions 2, 3, 5, and 6; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 62N; 62O; 256; and 295; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Vickerman, Chmielewski and Metzen introduced—

S.F. No. 1196: A bill for an act relating to motor carriers; specifying responsibility for workers' compensation coverage for certain persons who load or unload freight; prohibiting coercion of motor carriers in the loading and unloading of freight; providing for civil penalties; amending Minnesota Statutes 1992, section 221.036, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 176; and 221.

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

Messrs. Kelly; Johnson, D.J.; Kroening; Ms. Flynn and Mr. Novak introduced—

S.F. No. 1197: A bill for an act relating to taxation; providing that certain property is classified as a homestead while undergoing renovation; amending Minnesota Statutes 1992, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Finn, Sams, Murphy, Ms. Johnson, J.B. and Mr. Janezich introduced—

S.F. No. 1198: A bill for an act relating to taxation; property; allowing certain relatives of the owners who occupy property to qualify as homestead; amending Minnesota Statutes 1992, section 273.124, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Chandler, Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1199: A bill for an act relating to labor and employment; advisory councils; extending the expiration date of labor and employment related advisory councils; amending Minnesota Statutes 1992, sections 79.51, subdivision 4; 175.008; 178.02, subdivision 2; 182.656, subdivision 3; 268.363; and 326.41.

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

Mrs. Pariseau, Messrs. Bertram, Day and Benson, D.D. introduced—

S.F. No. 1200: A bill for an act relating to taxation; allowing agricultural homesteads occupied by a relative to qualify as homestead in their entirety; amending Minnesota Statutes 1992, section 273.124, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Finn, Luther and Hottinger introduced—

S.F. No. 1201: A bill for an act relating to occupations and professions; modifying reciprocity licensing requirement; providing for disciplinary actions; imposing penalties; amending Minnesota Statutes 1992, sections 148.905, subdivision 1; 148:921, subdivision 3; 148.925, subdivision 1; and 148.98; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1992, section 148.95.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Luther, Ms. Reichgott, Messrs. Pogemiller, Marty and McGowan introduced—

S.F. No. 1202: A bill for an act relating to elections; designating judicial seats by number or position, rather than by the name of the incumbent; amending Minnesota Statutes 1992, section 204B.36, subdivision 4.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Chmielewski introduced—

S.F. No. 1203: A bill for an act relating to history; appropriating money for the Moose Lake Fire and Heritage Museum.

Referred to the Committee on Veterans and General Legislation.

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

S.F. No. 1204: A bill for an act relating to human services; requiring a pilot project to downsize an existing intermediate care facility for persons with mental retardation and related conditions; appropriating money.

Referred to the Committee on Health Care.

Mr. Stumpf introduced—

S.F. No. 1205: A bill for an act relating to taxation; aggregate material; modifying certain reporting requirements; changing the time when penalty for late payment begins; amending Minnesota Statutes 1992, section 298.75, subdivisions 4 and 5.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf and Sams introduced—

S.F. No. 1206: A bill for an act relating to health; providing exceptions to health care provider conflict of interest provisions; amending Minnesota Statutes 1992, section 62J.23, by adding a subdivision.

Referred to the Committee on Health Care.



Messrs. Murphy, Samuelson, Sams, Morse and Ms. Berglin introduced—

S.F. No. 1207: A bill for an act relating to human services; requiring a pilot project in Wabasha county to downsize two existing intermediate care facilities for persons with mental retardation and related conditions.

Referred to the Committee on Health Care.

Messrs. Price and Merriam introduced—

S.F. No. 1208: A bill for an act relating to game and fish; limiting number of larger pike taken; amending Minnesota Statutes 1992, section 97C.401.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1209: A bill for an act relating to weights and measures; authorizing the commissioner of public service to set fees without rulemaking; setting fees to cover costs of inspections; appropriating money; amending Minnesota Statutes 1992, section 239.10; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1992, sections 239.52; and 239.78.

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

Messrs. Frederickson and Merriam introduced—

S.F. No. 1210: A bill for an act relating to state government; providing for the composition of the legislative advisory commission; providing for review of certain projects; amending Minnesota Statutes 1992, sections 3.30, subdivision 2; 7.09, subdivision 1; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; and 298.296, subdivision 1.

Referred to the Committee on Finance.

Mrs. Pariseau, Messrs. Dille and Berg introduced—

S.F. No. 1211: A bill for an act relating to agriculture; declaring ratitae to be livestock and raising ratitae to be an agricultural pursuit; defining ratitae farming as agricultural production for purposes of the sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; and 297A.01, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Messrs. Vickerman and Metzen introduced—

S.F. No. 1212: A bill for an act relating to occupations and professions; adding traffic escort services to occupations regulated by the board of private detective and protective agent services; amending Minnesota Statutes 1992, sections 169.20, subdivision 5; 326.32, subdivisions 5, 8, 9, and 10; 326.33, subdivision 1; 326.3311; 326.3331; 326.336, subdivisions 1 and 3; 326.338, subdivision 4, and by adding a subdivision; 326.3381, subdivisions 1 and 2; 326.3382; 326.3383, subdivision 1; 326.3384, subdivision 1; 326.3386, subdivisions 1, 2, 3, 4, and 6; and 326.3387.

Referred to the Committee on Governmental Operations and Reform.

Mr. Chmielewski introduced—

S.F. No. 1213: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Ms. Johnston introduced—

S.F. No. 1214: A bill for an act relating to taxation; sales and use; exempting vegetable seeds; amending Minnesota Statutes 1992, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Dille, Ms. Johnston, Messrs. Larson and Frederickson introduced—

S.F. No. 1215: A bill for an act relating to employment; eliminating the requirement that prevailing wages be paid under state contracts; amending Minnesota Statutes 1992, sections 240.091, subdivision 3; and 471.992, subdivision 1; repealing Minnesota Statutes 1992, sections 116J.871, subdivision 2; 177.41; 177.42; 177.43; 177.44; and 471.345, subdivision 7.

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

Mses. Olson and Johnston introduced—

S.F. No. 1216: A bill for an act relating to drivers' licenses; clarifying requirement of endorsement for special transportation service drivers within the metropolitan area; abolishing examination requirement and certain fees for special transportation service drivers; providing for criminal records checks of special transportation service drivers; amending Minnesota Statutes 1992, sections 171.01, subdivision 24; 171.02, subdivision 2; 171.10, subdivision 2; 171.13, subdivision 5; and 171.323.

Referred to the Committee on Transportation and Public Transit.

Ms. Johnson, J.B.; Messrs. Merriam, Morse, Lessard and Frederickson introduced—

S.F. No. 1217: A bill for an act relating to solid waste; regulating packaging; establishing a packaging advisory council; defining packaging; requiring reports; amending Minnesota Statutes 1992, sections 115A.03, by adding a subdivision; 115A.072, subdivision 2; 115A.12, subdivision 1, and by adding a subdivision; and 115A.5501, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard and Merriam introduced—

S.F. No. 1218: A bill for an act relating to state government; eliminating the use of reorganization orders to transfer appropriations, powers, or duties;

amending Minnesota Statutes 1992, section 16B.37, subdivisions 1 and 2; repealing Minnesota Statutes 1992, section 16B.37, subdivision 3.

Referred to the Committee on Governmental Operations and Reform.

Mses. Krentz, Reichgott and Mr. Novak introduced—

S.F. No. 1219: A bill for an act relating to taxation; income; expanding the dependent care credit; amending Minnesota Statutes 1992, section 290.067.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Vickerman, Murphy, Janezich, Larson and Finn introduced—

S.F. No. 1220: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Mr. Murphy introduced—

S.F. No. 1221: A bill for an act relating to motor vehicles; requiring license plates to stay with motor carrier on prorated truck; changing the registration period for prorated vehicles; excepting prorated vehicles from renewal notice requirements; making owner-operator subject to suspension of plates and international fuel tax agreement license for certain delinquent filings or payments; amending Minnesota Statutes 1992, sections 168.09, subdivisions 3 and 5; 168.12, subdivision 1; and 168.187, subdivision 26.

Referred to the Committee on Transportation and Public Transit.

Messrs. Benson, D.D.; Johnson, D.E.; Ms. Robertson, Messrs. Oliver and Frederickson introduced—

S.F. No. 1222: A bill for an act relating to state finance; changing methods for reporting on and preparing state agency budgets; providing for agency work force planning and reporting; changing the treatment of unused appropriations; providing for certain appropriations to be transferred; amending Minnesota Statutes 1992, sections 16A.011, subdivision 6, and by adding a subdivision; 16A.06, subdivision 4; 16A.10; 16A.11, subdivision 3; and 16A.28, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1992, sections 16A.011, subdivision 5; 16A.095, subdivision 3; 16A.123; and 16A.28, subdivisions 1 and 4.

Referred to the Committee on Finance.

Mrs. Pariseau, Messrs. Vickerman, Samuelson and Riveness introduced—

S.F. No. 1223: A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Referred to the Committee on Health Care.

Mr. Berg introduced—

S.F. No. 1224: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Mr. Morse introduced—

S.F. No. 1225: A bill for an act relating to education; authorizing a lease levy for independent school district No. 861, Winona.

Referred to the Committee on Education.

Messrs. Price, Sams and Chandler introduced—

S.F. No. 1226: A bill for an act relating to insurance; the comprehensive health association; clarifying the duties of the association and the authority of the commissioner of commerce; increasing the cigarette and tobacco product taxes to defray the cost of claims made under coverages provided by the association; repealing obsolete language; appropriating money; amending Minnesota Statutes 1992, sections 62E.08; 62E.09; 62E.10, subdivision 9; 297.02, subdivision 1; 297.13, by adding a subdivision; and 297.32, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 62E; repealing Laws 1992, chapter 549, article 9, section 17.

Referred to the Committee on Commerce and Consumer Protection.

Mrs. Adkins introduced—

S.F. No. 1227: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Ms. Ranum, Messrs. Kroening, Belanger and Chmielewski introduced—

S.F. No. 1228: A bill for an act relating to metropolitan government; requiring the transit commission to obtain consent to use parkways; amending Minnesota Statutes 1992, section 413.411, subdivision 5.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Hottinger, Finn, Sams, Ms. Kiscaden and Mr. Chandler introduced—

S.F. No. 1229: A bill for an act relating to guardianship; providing for delegation of certain duties under the public guardianship for persons with mental retardation act; appropriating money; amending Minnesota Statutes 1992, section 252A.111, subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Chandler, Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1230: A bill for an act relating to weights and measures; empowering the director to comply with metrology standards of European Economic Community and to provide specialized calibration services to businesses competing in European markets; appropriating money; amending Minnesota Statutes 1992, section 239.011, subdivision 2.

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

Ms. Krentz, Messrs. Moe, R.D.; Pogemiller and Ms. Robertson introduced—

S.F. No. 1231: A bill for an act relating to education; establishing the coalition for education reform and accountability; appropriating money.

Referred to the Committee on Education.

Messrs. Luther; Moe, R.D.; Johnson, D.J. and Merriam introduced—

S.F. No. 1232: A resolution memorializing Congress to consider the impact of the North American Free Trade Agreement on state sovereignty, the need for full legislative deliberation, and the withdrawal of NAFTA from the current fast-track procedures.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. McGowan, Spear, Neuville, Chmielewski and Ms. Johnston introduced—

S.F. No. 1233: A bill for an act relating to traffic regulations; motor vehicles; establishing system for the notification, recording, and collection of delinquent fines for parking violations; prohibiting registration of vehicle of owner who has not paid the fine for a parking violation; prohibiting issuance of warrants for parking violations; imposing a fee; appropriating money; amending Minnesota Statutes 1992, sections 169.95; and 169.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168; and 169.

Referred to the Committee on Transportation and Public Transit.

Mr. Johnson, D.J. introduced—

S.F. No. 1234: A bill for an act relating to Cook county; providing for the imposition of a sales tax and motor vehicle excise tax on sales transactions in Cook county; providing for the use of the sales tax revenues; authorizing the issuance of bonds to finance the expansion of and improvements to the North Shore hospital.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Pariseau, Messrs. Neuville and Belanger introduced—

S.F. No. 1235: A bill for an act relating to taxation; income; changing rates and income brackets; providing a home care credit; amending Minnesota Statutes 1992, section 290.06, subdivisions 2c and 2d; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Day, Mrs. Benson, J.E.; Mr. Johnson, D.E. and Ms. Olson introduced—

S.F. No. 1236: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Ms. Lesewski, Mr. Frederickson, Ms. Johnston, Messrs. Benson, D.D. and Knutson introduced—

S.F. No. 1237: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Mrs. Pariseau, Ms. Runbeck, Messrs. McGowan, Larson and Dille introduced—

S.F. No. 1238: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Ms. Ranum, Mr. Beckman, Mses. Krentz, Kiscaden and Mr. Mondale introduced—

S.F. No. 1239: A bill for an act relating to education; directing the state board of teaching and the deaf community to define certain licensure requirements; amending Minnesota Statutes 1992, section 125.189.

Referred to the Committee on Education.

Ms. Pappas introduced—

S.F. No. 1240: A bill for an act relating to education; authorizing a sexuality and family life education survey; appropriating money.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 1241: A bill for an act relating to human services; establishing an alternative grant application process for categorical social service programs in Pine county.

Referred to the Committee on Family Services.

Ms. Krentz, Mr. Langseth and Ms. Hanson introduced—

S.F. No. 1242: A bill for an act relating to education; removing the requirement that persons who teach a driver training course to high school students through a community education program be licensed teachers; amending Minnesota Statutes 1992, section 125.032, subdivision 2.

Referred to the Committee on Education.

Messrs. Lessard, Merriam and Chandler introduced—

S.F. No. 1243: A bill for an act relating to natural resources; providing for the protection and stewardship of state wildlife areas; authorizing spending to acquire public land; authorizing the issuance of state bonds; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Lessard, Ms. Anderson, Messrs. Price and Frederickson introduced—

S.F. No. 1244: A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

Referred to the Committee on Veterans and General Legislation.

Messrs. Chandler, Merriam, Mondale, Lessard and Frederickson introduced—

S.F. No. 1245: A bill for an act relating to waste management; establishing requirements relating to the reduction of packaging waste; requiring reports; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Lessard and Sams introduced—

S.F. No. 1246: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Mr. Lessard introduced—

S.F. No. 1247: A bill for an act relating to education; allowing transportation aid to be paid for the complete transportation of certain open enrollment pupils; directing a pupil's district of attendance to develop the pupil's individual education plan with the student's district of residence; amending Minnesota Statutes 1992, sections 120.062, subdivision 9; and 120.17, subdivision 2.

Referred to the Committee on Education.

Mr. Lessard introduced—

S.F. No. 1248: A bill for an act relating to capital improvements; expanding the area within which the national shooting sports center may be located; amending Laws 1989, chapter 300, article 1, section 19.

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

Ms. Pappas, Mr. Kelly, Ms. Anderson, Messrs. Chandler and Cohen introduced—

S.F. No. 1249: A bill for an act relating to the city of Saint Paul; authorizing the city to impose a sales tax.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Luther; Moe, R.D.; Ms. Flynn and Mr. Mondale introduced—

S.F. No. 1250: A bill for an act relating to metropolitan government; creating twin cities metro as a public corporation and political subdivision; eliminating the metropolitan council, regional transit board; metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open space commission, the metropolitan mosquito control commission, and county regional railroad authorities in the metropolitan area and transferring their powers, duties, assets, and liabilities to twin cities metro; providing for an appointments advisory committee; providing for appointments to the board of twin cities metro; providing for a commissioner of twin cities metro; providing for greater oversight of the metropolitan airports commission; amending Minnesota Statutes 1992, sections 6.76; 10A.01, subdivisions 18 and 26; 15.0597, subdivision 1; 15A.081, subdivisions 1 and 7; 174.32, subdivisions 2 and 3; 221.022; 221.025; 221.031, subdivision 3a; 221.041, subdivision 4; 221.071, subdivision 1; 238.43, subdivision 5; 252.478, subdivision 2; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 398A.03, subdivision 1; 422A.101, subdivision 2a; 473.121, subdivision 5a, and by adding subdivisions; 473.122; 473.123, subdivisions 2a, 3, 3a, 4, 5, and by adding subdivisions; 473.129, by adding subdivisions; 473.13, subdivisions 1, 1a, 2, 4, and by adding subdivisions; 473.132; 473.142; 473.143, subdivision 1; 473.144; 473.145; 473.146, subdivisions 1 and 2; 473.147; 473.149, subdivisions 1, 2, 3, and 5; 473.155, subdivision 4; 473.161, subdivisions 1a, 1b, 2, 2a, and 3; 473.164, subdivisions 1, 2, and 3; 473.165; 473.167, subdivisions 1, 3, and 4; 473.168, subdivision 2; 473.173, subdivisions 2, 3, 4, 5, and 6; 473.181, subdivision 5; 473.192, subdivision 2; 473.195, subdivision 1; 473.223; 473.249; 473.301, subdivision 2; 473.313, subdivision 2; 473.315, subdivision 1; 473.333; 473.351, subdivision 3; 473.371, subdivision 2; 473.373, subdivisions 1a and 5; 473.375, subdivisions 11, 13, and 16; 473.377, subdivision 1; 473.384, subdivisions 1, 3, 6, and 7; 473.385, subdivision 2; 473.386, subdivision 2; 473.388, subdivisions 2, 3, and 4; 473.39, subdivisions 1 and 1a; 473.391; 473.392; 473.399, subdivisions 1, 2, and 3; 473.399a, subdivisions 7 and 9; 473.3996, subdivision 2; 473.405, subdivisions 5, 6, and by adding a subdivision; 473.4051; 473.408, subdivision 2a; 473.409; 473.416; 473.417; 473.418; 473.42; 473.436, subdivision 6; 473.445, subdivisions 1 and 3; 473.446, subdivisions 1 and 7; 473.504, subdivisions 1, 5, 6, 7, and 9; 473.511, subdivisions 1, 2, and 4; 473.516, subdivision 1; 473.521, subdivision 3; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.604, subdivisions 1 and 7; 473.605, subdivision 2; 473.611, subdivision 5; 473.621, subdivision 1a; 473.661, by adding a subdivision; 473.702; 473.704, subdivisions 1, 5, 9, 15, 16, 17, 18, and 20; 473.705; 473.706; 473.711, subdivisions 1, 2, 3, 4, and 5; 473.716; 473.8011; 473.852, subdivision 8; 473.856; 473.857, subdivision 3; 473.866; and 629.40, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 3, 12, 14a, 15, and 21; 473.123,



subdivisions 1 and 6; 473.129, subdivision 6; 473.141; 473.146, subdivision 4; 473.155, subdivisions 2 and 3; 473.1551, subdivision 1; 473.1623; 473.163; 473.1631; 473.167, subdivision 5; 473.181, subdivision 3; 473.301, subdivision 4; 473.303; 473.371, subdivision 1; 473.373, subdivisions 1, 4a, 6, and 8; 473.375, subdivisions 1, 2, 3, 4, 9, 10, 17, and 18; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.3991; 473.3997; 473.3998; 473.404; 473.405, subdivisions 1, 2, 7, 8, and 11; 473.435; 473.436, subdivision 7; 473.501, subdivision 2; 473.503; 473.504, subdivisions 2 and 3; 473.511, subdivision 3; 473.517, subdivision 9; 473.535; 473.543, subdivision 5; 473.621, subdivisions 6 and 7; 473.701, subdivisions 3 and 4; 473.703; 473.704, subdivisions 4, 6, 10, 11, 13, and 19; 473.712; 473.714; 473.715; and 473.803, subdivision 1b; Laws 1989, chapter 339, section 21.

Referred to the Committee on Metropolitan and Local Government.

Mr. Langseth introduced—

S.F. No. 1251: 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; fixing and limiting accounts and fees; amending Minnesota Statutes 1992, sections .....

Referred to the Committee on Transportation and Public Transit.

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

## MOTIONS AND RESOLUTIONS

### 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. 40: Ms. Reichgott, Messrs. Knutson and Spear.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

### MEMBERS EXCUSED

Messrs. Beckman and Johnson, D.J. were excused from the Session of today.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:45 a.m., Wednesday, March 24, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, March 24, 1993

The Senate met at 11:45 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by Senator Pat Piper.

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

Adkins	Day	Knutson	Moe, R.D.	Sams
Anderson	Dille	Krentz	Mondale	Samuelson
Beckman	Finn	Kroening	Morse	Solon
Belanger	Frederickson	Laidig	Murphy	Spear
Benson, D.D.	Hanson	Langseth	Novak	Stevens
Benson, J.E.	Hottinger	Larson	Oliver	Stumpf
Berg	Janezich	Lesewski	Olson	Terwilliger
Berglin	Johnson, D.E.	Lessard	Pariseau	Vickerman
Bertram	Johnson, D.J.	Luther	Piper	Wiener
Betzold	Johnson, J.B.	Marty	Ranum	
Chandler	Johnston	McGowan	Reichgott	
Chmielewski	Kelly	Merriam	Riveness	
Cohen	Kiscaden	Metzen	Robertson	

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.

February 24, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

**HARMFUL SUBSTANCE COMPENSATION BOARD**

M.J. "Mac" McCauley, 404 E. Howard St., Winona, Winona County, has been appointed by me, effective February 27, 1993, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Judiciary.)

Warmest regards,  
Arne H. Carlson, 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. 19.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1993

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. 40: A bill for an act relating to probate; establishing a durable power of attorney for health care; establishing duties of health care providers for the provision of life-sustaining health care; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 145B; proposing coding for new law as Minnesota Statutes, chapter 145C; repealing Minnesota Statutes 1992, section 145B.10.

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

Bishop, Skoglund and Orenstein.

Senate File No. 40 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 22, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 208, 233, 295, 399 and 639.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 22, 1993

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 208: A bill for an act relating to human rights; prohibiting discrimination against certain persons who have physical or sensory disabilities and who use service animals; clarifying certain language governing transportation of disabled persons; clarifying the commissioner's acceptance of charges; providing for office of administrative hearings costs to be charged in human rights cases; amending Minnesota Statutes 1992, sections 363.01, subdivisions 30a, 35, 41b, and by adding a subdivision; 363.03, subdivisions 2, 4, and 10; 363.071, by adding a subdivision; and 473.144.

Referred to the Committee on Judiciary.

H.F. No. 233: A bill for an act relating to the military; clarifying the use by the governor of the military forces; amending Minnesota Statutes 1992, section 190.02.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 331, now on General Orders.

H.F. No. 295: A bill for an act relating to utilities; authorizing utilities to make automatic annual rate adjustments for costs of conservation improvements; amending Minnesota Statutes 1992, section 216B.16, subdivision 6b.

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

H.F. No. 399: A bill for an act relating to commerce; unclaimed property; regulating certain notices and reports; amending Minnesota Statutes 1992, sections 345.41; and 345.42, subdivisions 2 and 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 578, now on General Orders.

H.F. No. 639: A bill for an act relating to insurance; Medicare supplement; regulating coverages; conforming state law to federal requirements; making technical changes; amending Minnesota Statutes 1992, sections 62A.31, subdivisions 1, 4, and by adding a subdivision; 62A.315; 62A.316; 62A.318; 62A.36, subdivision 1; 62A.39; 62A.436; and 62A.44, subdivision 2; Laws 1992, chapter 554, article 1, section 18.

Referred to the Committee on Commerce and Consumer Protection.

**REPORTS OF COMMITTEES**

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 798. The motion prevailed.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 787: A bill for an act relating to libraries; requiring the metropolitan council to conduct a study of metropolitan area libraries and library systems and report to the legislature.

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

Page 1, line 15, after the period, insert:

*"The study shall include the feasibility of the establishment by the University of Minnesota library and other public libraries of a regional-metropolitan library depository facility for the storage of materials for which there is low or no current demand, as well as for the storage of the university's archival and manuscript collections."* and delete *"study shall encompass"* and insert *"council shall organize an advisory committee composed of representatives of the office of library development of the state department of education,"*

Page 1, line 18, delete the second *"and"*

Page 1, delete line 20 and insert *"libraries; and library service"*

Page 1, line 25, delete everything after *"legislation"*

Page 2, line 1, delete everything before the period

Page 2, line 2, delete *"November"* and insert *"July"* and delete *"1993"* and insert *"1994"*

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. 693: A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.451, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivisions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

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

Page 4, line 14, after "a" insert "petty"

Page 4, after line 24, insert:

"Sec. 6. Minnesota Statutes 1992, section 97A.045, is amended by adding a subdivision to read:

*Subd. 9. [NOTICE OF RULEMAKING.] In addition to notice requirements under chapter 14, the commissioner shall attempt to notify persons or groups of persons affected by rules adopted under the game and fish laws by public announcements, press releases, and other appropriate means as determined by the commissioner."*

Page 5, delete lines 7 and 8 and insert:

"(2) an uncased bow."

Page 7, line 14, after "acquisition" insert "and disposal"

Page 10, delete section 26

Page 11, line 8, delete "A SECOND" and insert "ADDITIONAL"

Page 11, line 11, delete "a second" and insert "additional"

Page 12, line 26, before the period, insert "unless otherwise provided by law"

Page 16, after line 15, insert:

"Sec. 45. [97B.928] [IDENTIFICATION OF TRAPS AND SNARES.]

*Subdivision 1. [INFORMATION REQUIRED.] (a) A person may not set or place a trap or snare, other than on property owned or occupied by the person, unless the following information is affixed to the trap or snare in a manner that ensures that the information remains legible while the trap or snare is on the lands or waters:*

- (1) the number and state of the person's driver's license;*
- (2) the person's Minnesota identification card number; or*
- (3) the person's name and mailing address.*

*(b) The commissioner may not prescribe additional requirements for identification of traps or snares.*

*Subd. 2. [PROVISIONS NOT TO APPLY.] From April 1 to August 31, the trap identification provisions of subdivision 1 do not apply to traps set for the taking of unprotected wild animals.*

*Subd. 3. [PENALTY.] A person who violates subdivision 1, paragraph (a), is guilty of a petty misdemeanor."*

Page 21, line 7, delete everything before "game" and insert "protect"

Page 22, line 6, after "person" insert "engaged in a business providing services to a person taking fish"

Page 22, line 11, strike "cosignee" and insert "consignee"

Page 23, line 16, delete "6, 9, 10, 13, 18 to 22" and insert "7, 10, 11, 14, 19 to 23"

Page 23, line 17, delete everything before "may" and insert "42, 44, 48, 53, 54, 58, 61, 62, 66, and 67"

Page 23, line 22, delete "68" and insert "69"

Page 23, line 26, before the period, insert " , except that section 45 is effective August 1, 1993, and applies to violations occurring on or after that date"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, after "penalties;" insert "appropriating money;"

Page 1, line 16, after "4" insert " , and by adding a subdivision"

Page 1, lines 22 and 23, delete "97A.451, by adding a subdivision;"

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

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

S.F. No. 366: A bill for an act relating to game and fish; allowing importation of minnows for raising and export; amending Minnesota Statutes 1992, section 97C.515, 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 1992, section 97C.515, is amended by adding a subdivision to read:

*Subd. 5. [SPECIAL PERMITS.] (a) The commissioner may issue a special permit, without a fee, to allow a person with a private fish hatchery license to import minnows from other states for export. A permit under this subdivision is not required for importation authorized under subdivision 4.*

*(b) An applicant for a permit under this subdivision shall submit to the commissioner sufficient information to identify potential threats to native plant and animal species and an evaluation of the feasibility of the proposal. The permit may include reasonable restrictions on importation, transportation, possession, containment, and disposal of minnows to ensure that native species are protected. The permit may have a term of up to two years and may be modified, suspended, or revoked by the commissioner for cause, including violation of a condition of the permit."*

Delete the title and insert:

"A bill for an act relating to game and fish; authorizing special permits for importation of minnows for export; amending Minnesota Statutes 1992, section 97C.515, by adding a subdivision."

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. 702: A bill for an act relating to game and fish; requiring identification of traps; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 97B.

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

Page 1, lines 8 and 9, delete "*on public or private lands or waters*" and insert "*, other than on property owned or occupied by the person,*"

Page 1, line 16, after "*traps*" insert "*or snares*"

Page 1, after line 16, insert:

"*Subd. 2. [PROVISIONS NOT TO APPLY.] During the period April 1 to August 31, the trap identification provisions of subdivision 1 do not apply to traps set for the taking of unprotected wild animals.*"

Page 1, line 17, delete "2" and insert "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. 483: A bill for an act relating to game and fish; allowing all big game to be taken under a crossbow permit for hunters with disabilities; amending Minnesota Statutes 1992, section 97B.106.

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

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

S.F. No. 296: A bill for an act relating to human services; requiring parent's social security numbers on birth certificates; modifying various child support provisions; amending Minnesota Statutes 1992, sections 144.215, by adding a subdivision; 518.551, subdivision 5; 518.611, subdivisions 1, 2, 6, and by adding a subdivision; and 518.613, subdivisions 2, 3, and 4.

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

Page 1, line 18, after "*number*" insert "*only*"

Page 1, line 19, after "*services*" insert "*upon request by the public authority*"

Page 1, after line 21, insert:

"*Sec. 2. Minnesota Statutes 1992, section 518.551, subdivision 7, is amended to read:*



Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. An application fee not to exceed \$25 shall be paid by the person who applies for child support and maintenance collection services, charged to an obligor in addition to the child support or maintenance ordered by the court, except persons who transfer when the obligee transfers from public assistance to nonpublic assistance status. Fees assessed by state and federal tax agencies for collection of overdue support owed to or on behalf of a person not receiving public assistance must be imposed on the person for whom these services are provided.

However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, United States Code, title 42, sections 601 to 613 and United States Code, title 42, sections 651 to 662. *If the court orders automatic income withholding, the application fee shall be withheld from the first collection in addition to the amount of child support or maintenance which was ordered by the court.*

Page 7, line 28, after "charged" insert "*to the obligor in addition to the amount of the child support which was ordered by the court*" and after "withheld" insert "*through automatic income withholding*"

Page 7, line 29, after "before" insert "*child support*" and after "payment" insert "*is made*"

Page 7, line 31, after the period, insert "*The county shall explain to affected persons the two options in clauses (i) and (ii). The county should encourage the applicant to apply for IV-D services.*"

Page 8, after line 16, insert:

"Sec. 6. Minnesota Statutes 1992, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] Notwithstanding any law to the contrary, the order is binding on the employer, trustee, payor of the funds, or financial institution when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. In the case of a financial institution, preauthorized transfers must occur in accordance with a court-ordered payment schedule. An employer, payor of funds, or financial institution in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2 and section 518.613 and shall remit, within ten days of the date the obligor is paid the remainder of the income, the amounts withheld to the public authority. The payor shall identify on the remittance information the

date the obligor is paid the remainder of the income. The 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. Employers may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment. Amounts received by the public authority which are in excess of public assistance expended for the party or for a child shall be remitted to the party. *The public authority shall send collections to the obligee, who has not assigned support to the state, within 15 calendar days of the date in which the support was initially received in the state.* An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld. A financial institution is liable to the obligee if funds in any of the obligor's deposit accounts identified in the court order equal the amount stated in the preauthorization agreement but are not transferred by the financial institution in accordance with the agreement."

Page 11, line 13, after "charged" insert "to the obligor in addition to the amount of the child support which was ordered by the court"

Page 11, line 14, after "before" insert "child support" and after "payment" insert "is made"

Page 11, line 18, delete "5" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "subdivision 5" and insert "subdivisions 5 and 7"

Page 1, line 7, after "2," insert "4,"

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 Crime Prevention, to which was re-referred

S.F. No. 334: A bill for an act relating to traffic regulations; authorizing delayed arrest of driver and penalizing vehicle owner or lessee for failure to yield right-of-way to emergency vehicle; amending Minnesota Statutes 1992, section 169.20, by adding subdivisions.

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

Page 1, line 10, delete "CAUSE FOR ARREST" and insert "CITATION" and before "arrest" insert "issue a citation in lieu of" and after "arrest" insert "to"

Page 1, delete line 14 and insert "5."

Page 1, line 21, delete everything after "(b)" and insert "Paragraph"

Page 1, line 22, after "(a)" insert "does not apply" and after "(1)" insert "a person other than" and delete everything after "lessee"

Page 1, line 23, delete "person"

Amend the title as follows:

Page 1, line 2, delete "delayed" and insert "issuance of a citation to a"

Page 1, line 3, delete "arrest of"

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

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

S.F. No. 771: A bill for an act relating to motor fuels; changing formula for payments made to producers of ethanol; increasing oxygenate level requirements for gasoline; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; and 239.791, subdivisions 1 and 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 1992, section 41A.09, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS FROM ACCOUNT.] The commissioner of revenue shall make cash payments from the account to producers of ethanol or wet alcohol located in the state. These payments shall apply only to ethanol or wet alcohol fermented in the state. The amount of the payment for each producer's annual production shall be as follows:

(a) For each gallon of ethanol produced on or before June 30, 2000, 20 cents per gallon, *except that for each gallon of ethanol produced by a producer for fiscal years 1994 to 1996 that exceeds the production of the producer for fiscal year 1992, 30 cents per gallon.*

(b) For each gallon produced of wet alcohol on or before June 30, 2000, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon. The producer payment for wet alcohol under this section may be paid to either the original producer of wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(c) ~~The total payments from the account to all producers during the period beginning July 1, 1991, and ending June 30, 1993 may not exceed \$8,550,000. This amount may be paid in either fiscal year of the biennium. Total payments from the account to any producer in each fiscal year may not exceed \$3,000,000.~~

(d) ~~The total payments from the account to all producers may not exceed \$10,000,000~~ \$20,000,000 in any fiscal year during the period beginning July 1, 1993, and ending June 30, 2000. Total payments from the account to any producer in any fiscal year may not exceed ~~\$3,000,000~~ \$6,000,000.

By the last day of October, January, April, and July, each producer shall file a claim for payment for production during the preceding three calendar months. The volume of production must be verified by a certified financial

audit performed by an independent certified public accountant using generally accepted accounting procedures.

Payments shall be made November 15, February 15, May 15, and August 15.

Sec. 2. Minnesota Statutes 1992, section 116.07, subdivision 4a, is amended to read:

Subd. 4a. [PERMITS.] The pollution control agency may issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the emission of air contaminants, or for the installation or operation of any emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, or storage facility, or any part thereof, or for the sources or emissions of noise pollution.

The pollution control agency may also issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the storage, collection, transportation, processing, or disposal of waste, or for the installation or operation of any system or facility, or any part thereof, related to the storage, collection, transportation, processing, or disposal of waste.

The pollution control agency may revoke or modify any permit issued under this subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to prevent or abate pollution.

*Persons who wish to assist the pollution control agency in expediting review of their permit applications may offer to fund the hiring of a qualified contractor to assist in the permit process or to pay overtime costs of pollution control agency staff. The commissioner may accept these funds if, in the judgment of the commissioner, the funding will allow the pollution control agency to manage a permit backlog in a fair and expeditious manner. The commissioner has the sole discretion to decide whether to hire a qualified contractor for a particular permit and, if so, which contractor. The decision to issue, deny, or continue a permit shall be made by the pollution control agency in accordance with the rules it has established for permits. Qualified contractor in this paragraph means a person who is able to demonstrate expertise in the permit issues, is able to perform the duties required by the pollution control agency, and does not have a conflict or the appearance of conflict with the permit work to be performed.*

Sec. 3. Minnesota Statutes 1992, section 239.791, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM OXYGEN CONTENT REQUIRED.] A person responsible for the product shall comply with the following requirements:

(a) After October 31, 1992, 1993, gasoline sold or offered for sale in a carbon monoxide control area, and during a carbon monoxide control period, must contain at least ~~two~~ 2.7 percent oxygen by weight *with an average of 3.1 percent.*

(b) After October 31, 1995, gasoline sold or offered for sale at any time in a carbon monoxide control area must contain at least ~~two~~ 2.7 percent *by oxygen by weight with an average of 3.1 percent.*

(c) After October 31, 1997, all gasoline sold or offered for sale in Minnesota must contain at least ~~two~~ 2.7 percent oxygen by weight with an average of 3.1 percent.

(d) At least 50 percent of all oxygenate blended with gasoline sold or offered for sale under the provisions of this section must be ethanol or ethanol-derived.

Sec. 4. Minnesota Statutes 1992, section 239.791, subdivision 2, is amended to read:

Subd. 2. [AVERAGE OXYGEN CONTENT REQUIRED.] After October 31, ~~1992~~ 1993, the total amount of gasoline distributed, transported, delivered, sold, or offered for sale by a registered oxygenate blender, during each annual carbon monoxide control period, in each carbon monoxide control area, must contain an average of ~~2.7~~ three percent oxygen by weight.

Sec. 5. Minnesota Statutes 1992, section 273.1399, is amended by adding a subdivision to read:

Subd. 6. [AGRICULTURAL PROCESSING FACILITIES.] *This section does not apply to tax increment financing districts that have been established for the purpose of providing financing for the construction of facilities for processing of agricultural products, if at least 90 percent of the increments derived from the district are used for the financing of the facilities for processing of agricultural products.*

Sec. 6. [EFFECTIVE DATE.]

*Section 1 is effective July 1, 1993, for payments made for ethanol produced from that date until June 30, 2000."*

Delete the title and insert:

"A bill for an act relating to motor fuels; changing the formula for payments made to producers of ethanol; increasing oxygenate level requirements for gasoline; authorizing the pollution control agency to contract to expedite permit process; eliminating certain LGA/HACA offsets for tax increment financing districts; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 116.07, subdivision 4a; 239.791, subdivisions 1 and 2; and 273.1399, by adding a subdivision."

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

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

S.F. No. 730: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

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

Pages 1 and 2, delete section 2

Page 3, line 26, delete "7" and insert "6"

Page 4, after line 35, insert:

*"Subd. 18. [RETAIL COST.] "Retail cost" means the basic cost of selected dairy products purchased by a retailer for the purpose of resale to consumers."*

Page 4, line 36, delete "18" and insert "19"

Page 5, line 3, delete "19" and insert "20"

Page 5, line 8, delete "20" and insert "21"

Page 5, line 15, delete "21" and insert "22"

Page 5, line 18, after the period, insert *"A delivery of selected dairy products to a retailer in Minnesota is a sale at wholesale if an assessment required under section 32A.071 has not been paid."*

Page 5, line 19, delete "22" and insert "23"

Page 5, line 27, delete "23" and insert "24"

Page 5, line 32, delete "24" and insert "25"

Page 5, line 36, delete "25" and insert "26"

Page 6, line 10, delete "26" and insert "27"

Page 6, line 13, delete "27" and insert "28"

Page 13, after line 3, insert:

*"Subd. 4. [SALES BELOW RETAIL COST PROHIBITED; EXCEPTION.] A retailer may not sell or offer for sale a selected dairy product at a retail price lower than the retail cost paid. A retailer may not use any method or device in the sale or offer for sale of a selected dairy product which results in a violation of this section. This prohibition does not apply to a sale complying with section 325D.06, clauses (1) to (4). This restriction does not apply to giving away selected dairy products free provided that such offer does not require a purchase by the customer."*

Page 13, line 18, after "(2)" insert "only"

Page 13, line 19, after "documents" insert "that are necessary"

Page 20, line 11, delete the new language and strike "MILK" and before the period, insert "ASSESSMENT AT WHOLESALÉ"

Page 20, lines 13 to 27, reinstate the stricken language and delete the new language

Page 20, lines 30 and 33, after "wholesale" insert "for ultimate retail sale"

Page 20, line 35, after "price" insert "for class I milk as defined by the federal milk marketing order"

Page 21, line 2, after "wholesale" insert "for ultimate retail sale"

Page 21, line 3, after "price" insert "for class 1 milk as defined in the federal milk marketing order"

Page 21, after line 3, insert:

"Subd. 2b. [EXEMPTION.] A processor that operates retail home delivery sales accounting for 50 percent or more of all sales of selected dairy products is exempt from the assessments under this section."

Page 25, after line 30, insert:

"Sec. 18. [SEVERABILITY.]

If any provision of Minnesota Statutes, section 32A.071, is held to be unconstitutional, then all of Minnesota Statutes, section 32A.071, is inoperative and of no effect. If Minnesota Statutes, section 32A.071, becomes inoperative and of no effect, the balance of this act is severable and remains in effect."

Page 25, line 33, after the semicolon, insert "32A.071, subdivisions 1 and 2;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "32A.02;"

Page 1, line 10, after the semicolon, insert "32A.071, subdivisions 1 and 2;"

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

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

S.F. No. 704: A bill for an act relating to commerce; regulating corporate registrations and administrative dissolutions; regulating limited partnership registrations; regulating trademarks; regulating various lien filings; making various housekeeping changes relating to the powers and duties of the secretary of state; amending Minnesota Statutes 1992, sections 302A.821, subdivision 6; 303.13, subdivisions 1 and 2; 317A.823, subdivision 1; 317A.827, subdivision 3; 322A.70; 333.20, subdivision 3; 336.9-403; 514.27; 514.661, subdivision 4; 514.945, subdivision 1; 514.956, subdivision 3; and 514.960, subdivision 3.

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

Page 6, after line 12, insert:

"Sec. 7. Minnesota Statutes 1992, section 331A.07, is amended to read:

331A.07 [AFFIDAVIT OF PUBLICATION.]

No compensation shall be recoverable for publishing legal or official matter in any newspaper not qualified, until there is filed with the county auditor the affidavit of a person having knowledge of the facts, showing the name and location of the newspaper and the existence of conditions constituting its qualifications as a qualified newspaper as set forth in section 331A.02. If the matter published relates to proceedings in another county, a like affidavit must

be filed with its auditor. The affidavit, if it states the required facts, shall be prima facie evidence of them and of the qualification. No compensation shall be recoverable for publishing legal or official matter in any newspaper unless the bill is accompanied by an affidavit of the publisher, or printer in charge, of the newspaper or the publisher's designated agent, having knowledge of the facts, setting forth the fact that the newspaper has complied with all the requirements to constitute a legal newspaper. The affidavit must set forth the dates of the month and year and the day of the week upon which the legal or official matter was published in the newspaper. The affidavit must also include the publisher's lowest classified rate paid by commercial users for comparable space, as determined pursuant to section 331A.06, the maximum charge allowable by law for the publication of the specific legal or official matter in question, and the rate actually charged for that publication."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after "322A.70;" insert "331A.07;"

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

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

S.F. No. 441: A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Delete everything after the enacting clause and insert:

"Section 1. [181.970] [EMPLOYEE INDEMNIFICATION.]

*Subdivision 1. [INDEMNIFICATION REQUIRED.] An employer shall defend and indemnify its employee for civil damages, penalties, or fines claimed or levied against the employee, provided that the employee:*

- (1) was acting in the performance of the duties of the employee's position;*
- (2) was not guilty of intentional misconduct, willful neglect of the duties of the employee's position, or bad faith; and*
- (3) has not been indemnified by another person for the same damages, penalties, or fines.*

*Subd. 2. [EXCEPTION.] Subdivision 1 does not apply to:*

*(1) employees of the state or a municipality governed by section 3.736 or 466.07;*

*(2) employees who are subject to a contract or other agreement governing indemnification rights;*

*(3) employees and employers who are governed by indemnification provisions under section 300.083, 302A.521, 317A.521, or 322B.699, or similar laws of this state or another state specifically governing indemnification of*



*employees of business or nonprofit corporations, limited liability companies, or other legal entities; or*

*(4) indemnification rights for a particular liability specifically governed by other law.*

Sec. 2. [EFFECTIVE DATE; APPLICATION.]

*Section 1 is effective August 1, 1993, and applies to claims or causes of action arising on or after that date."*

Delete the title and insert:

"A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181."

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

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

S.F. No. 532: A bill for an act relating to courts; conciliation court; adopting one body of law to govern conciliation courts; proposing coding for new law as Minnesota Statutes, chapter 491A; repealing Minnesota Statutes 1992, sections 487.30; 488A.12; 488A.13; 488A.14; 488A.15; 488A.16; 488A.17; 488A.29; 488A.30; 488A.31; 488A.32; 488A.33; and 488A.34; and Laws 1992, chapter 591, section 21.

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

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1992, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal;

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to 566.35 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of

rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause;

(14) the delivery of legal services by a specialized legal assistant in accordance with a specialty license issued by the supreme court before July 1, 1995;

(15) the sole shareholder of a corporation from appearing on behalf of the corporation in court; or

(16) an officer, ~~shareholder, director~~ manager, partner, or employee from appearing on behalf of a corporation, *limited liability company*, partnership, sole proprietorship, or association in conciliation court in accordance with section 487.30, ~~subdivision 4a, or in district court in an action that was removed from conciliation court 3, subdivision 4.~~

Page 1, line 23, delete "which" and insert "that"

Page 1, line 26, delete "shall be" and insert "is"

Page 2, line 4, after the period, insert "*The court administrator shall serve the summons in a conciliation court action by first class mail, except that if the amount of money or property that is the subject of the claim exceeds \$2,500, the summons must be served by the plaintiff by certified mail, and service on nonresident defendants must be made in accordance with applicable law or rule.*"

Page 2, line 23, delete "and"

Page 2, line 24, before the period, insert "; and"

(11) *involving medical malpractice*"

Page 3, lines 8 and 10, delete "shall" and insert "must"

Page 5, lines 2 and 17, delete "shall" and insert "must"

Page 6, line 1, after the second comma, insert "*limited liability company,*"

Page 6, line 3, after "officer" insert ", manager,"

Page 6, line 11, delete "shall remain" and insert "remains"

Page 6, line 27, delete "will" and insert "may"

Page 6, line 28, delete "MANDATORY"

Page 6, line 36, delete "shall award the"

Page 7, line 1, delete "opposing party" and insert "may order" and after "\$250" insert "*to be paid to the court*" and after the period, insert "*If the removing party is eligible to proceed under section 563.01, the additional \$250 costs must be waived unless the court finds that the appeal was brought in bad faith.*"

Page 7, line 22, delete "shall" and insert "must"

Page 8, line 32, delete "*shall*" and insert "*may*"

Page 9, line 1, delete "*stationary*" and insert "*stationery*"

Page 9, after line 5, insert:

"Sec. 5. Minnesota Statutes 1992, section 549.09, subdivision 1, is amended to read:

Subdivision 1. [WHEN OWED; RATE.] (a) When a judgment or award is for the recovery of money, including a judgment for the recovery of taxes, interest from the time of the verdict, award, or report until judgment is finally entered shall be computed by the court administrator or arbitrator as provided in clause (c) and added to the judgment or award.

(b) Except as otherwise provided by contract or allowed by law, preverdict, preaward, or prereport interest on pecuniary damages shall be computed as provided in clause (c) from the time of the commencement of the action or a demand for arbitration, or the time of a written notice of claim, whichever occurs first, except as provided herein. The action must be commenced within two years of a written notice of claim for interest to begin to accrue from the time of the notice of claim. If either party serves a written offer of settlement, the other party may serve a written acceptance or a written counteroffer within 30 days. After that time, interest on the judgment or award shall be calculated by the judge or arbitrator in the following manner. The prevailing party shall receive interest on any judgment or award from the time of commencement of the action or a demand for arbitration, or the time of a written notice of claim, or as to special damages from the time when special damages were incurred, if later, until the time of verdict, award, or report only if the amount of its offer is closer to the judgment or award than the amount of the opposing party's offer. If the amount of the losing party's offer was closer to the judgment or award than the prevailing party's offer, the prevailing party shall receive interest only on the amount of the settlement offer or the judgment or award, whichever is less, and only from the time of commencement of the action or a demand for arbitration, or the time of a written notice of claim, or as to special damages from when the special damages were incurred, if later, until the time the settlement offer was made. Subsequent offers and counteroffers supersede the legal effect of earlier offers and counteroffers. For the purposes of clause (3), the amount of settlement offer must be allocated between past and future damages in the same proportion as determined by the trier of fact. Except as otherwise provided by contract or allowed by law, preverdict, preaward, or prereport interest shall not be awarded on the following:

(1) judgments, awards, or benefits in workers' compensation cases, but not including third-party actions;

(2) judgments or awards for future damages;

(3) punitive damages, fines, or other damages that are noncompensatory in nature;

(4) judgments or awards not in excess of the amount specified in section 487.30 2; and

(5) that portion of any verdict, award, or report which is founded upon interest, or costs, disbursements, attorney fees, or other similar items added by the court or arbitrator.

(c) The interest shall be computed as simple interest per annum. The rate of interest shall be based on the secondary market yield of one year United States treasury bills, calculated on a bank discount basis as provided in this section.

On or before the 20th day of December of each year the state court administrator shall determine the rate from the secondary market yield on one year United States treasury bills for the most recent calendar month, reported on a monthly basis in the latest statistical release of the board of governors of the federal reserve system. This yield, rounded to the nearest one percent, shall be the annual interest rate during the succeeding calendar year. The state court administrator shall communicate the interest rates to the court administrators and sheriffs for use in computing the interest on verdicts and shall make the interest rates available to arbitrators.

When a judgment creditor, or the judgment creditor's attorney or agent, has received a payment after entry of judgment, whether the payment is made voluntarily by or on behalf of the judgment debtor, or is collected by legal process other than execution levy where a proper return has been filed with the court administrator, the judgment creditor, or the judgment creditor's attorney, before applying to the court administrator for an execution shall file with the court administrator an affidavit of partial satisfaction. The affidavit must state the dates and amounts of payments made upon the judgment after the most recent affidavit of partial satisfaction filed, if any; the part of each payment that is applied to taxable disbursements and to accrued interest and to the unpaid principal balance of the judgment; and the accrued, but the unpaid interest owing, if any, after application of each payment.

(d) This section does not apply to arbitrations between employers and employees under chapter 179 or 179A. An arbitrator is neither required to nor prohibited from awarding interest under chapter 179 or under section 179A.16 for essential employees."

Page 9, line 12, delete "4" and insert "6"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "amending Minnesota Statutes 1992, sections 481.02, subdivision 3; and 549.09, subdivision 1;"

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

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

S.F. No. 836: A bill for an act relating to agriculture; modifying the over-order premium milk price; amending Minnesota Statutes 1992, section 32A.071, subdivisions 2, 4, 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 1992, section 17.982, subdivision 1, is amended to read:

Subdivision 1. [CRIMINAL PENALTIES.] A person who violates chapter 29, 31, 31A, 32, or 34 for which a penalty has not been prescribed is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1992, section 17.983, subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATIVE PENALTIES; CITATION.] If a person has violated chapter 29, 31, 31A, 32, or 34, the commissioner may issue a written citation to the person by personal service or by certified mail. The citation shall describe the nature of the violation and the statute or rule alleged to have been violated; state the time for correction; and the amount of any proposed fine. The citation must advise the person to notify the commissioner in writing within 30 days if the person wishes to appeal the citation. If the person fails to appeal the citation, the citation is the final order and not subject to further review.

Sec. 3. Minnesota Statutes 1992, section 17.984, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] To carry out the commissioner's enforcement duties under chapter 29, 31, 31A, 32, or 34, the commissioner may, upon presenting appropriate credentials, during regular working hours and at other reasonable times, inspect premises subject to the commissioner's enforcement and licensing authority for reasons related to the commissioner's enforcement and licensing authority; request information from persons with information relevant to an inspection; and inspect relevant papers and records, including business records. The commissioner may issue notices in lieu of citations for minor violations if a notice is in the public interest.

Sec. 4. Minnesota Statutes 1992, section 32.394, subdivision 8d, is amended to read:

Subd. 8d. [PROCESSOR ASSESSMENT.] (a) A manufacturer shall pay to the commissioner a fee for fluid milk processed and milk used in the manufacture of fluid milk products sold in Minnesota. Beginning July 1, 1991, the fee is ~~five~~ six cents per hundredweight. If the commissioner determines that a different fee, not exceeding nine cents per hundredweight, when combined with general fund appropriations and fees charged under sections 31.39 and 32.394, subdivision 8, is needed to provide adequate funding for the Grades A and B inspection programs and the *Minnesota milk premium program*, the commissioner may, by rule, change the fee on processors.

(b) Processors must report quantities of milk processed under paragraph (a) on forms provided by the commissioner. Processor fees must be paid monthly. The commissioner may require the production of records as necessary to determine compliance with this subdivision.

Sec. 5. Minnesota Statutes 1992, section 32.394, subdivision 9, is amended to read:

Subd. 9. [PAYMENTS; REFUNDS; DISPOSITION.] Fees are payable by a processor or marketing organization by July 1 of each year for Grade A, and by January 1 of each year for manufacturing grade, and if not paid within 30 days of the due date, the service must be discontinued, and permission to market manufacturing grade or Grade A milk or milk products or use the Grade A label must be withdrawn. A processor may terminate payment and

service without loss of the Grade A label if written notice of that intention is given prior to the due date of the payment of an assessment and if the continuous inspection of the plant is assumed by a city whose milk control ordinance is substantially equivalent to Minnesota law and rule and is enforced with equal effectiveness. If a farm discontinues the production of milk within six months of the billing date, a request for a refund based on inspection services not received may be made by the processor or by the marketing organization on behalf of its patrons. This request must be made in writing by July 1 for manufacturing grade, or by December 31 for Grade A, and on approval by the commissioner refunds must be made to the processor or marketing organization.

The fees for services performed by the activities of this section must be deposited in the state treasury and constitute a separate account to be known as the milk ~~inspection service~~ services account, which is hereby created, set aside, and appropriated as a revolving fund to be used to help to defray the cost of administration, refunds and expenses of the preliminary and continuous milk inspection services and is in addition to and not in substitution for the sums appropriated or otherwise made available for this purpose to the department of agriculture.

### MINNESOTA MILK PREMIUM

#### Sec. 6. [32.70] [MINNESOTA MILK PREMIUM; DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 32.70 to 32.72.*

*Subd. 2. [MANUFACTURER.] "Manufacturer" means a person doing business in Minnesota engaged in manufacturing or processing a selected dairy product in the person's own plant for sale in Minnesota.*

*Subd. 3. [PRODUCER.] "Producer" means a person who operates a dairy herd or herds in Minnesota producing milk or cream commercially and whose milk or cream is sold to, or received or handled by, a distributor or processor. "Producer" does not include any incorporated or unincorporated association of producers.*

*Subd. 4. [RESPONSIBLE PERSON.] "Responsible person" means the business entity which makes payment to individual Grade A or B milk producers.*

*Subd. 5. [RETAIL COST.] "Retail cost" means the basic cost of selected dairy products purchased by a retailer for the purpose of resale to consumers.*

*Subd. 6. [SALE AT RETAIL.] "Sell at retail," "sales at retail," and "retail sales" mean any sale or offer for sale of a selected dairy product for consumption or use other than resale or further processing or manufacturing. Home delivery sales, sales by the use of vending machines, and sales direct to consumers through lease of all or a part of a retailer's premises are sales at retail.*

*Subd. 7. [SALE AT WHOLESALE.] "Sell at wholesale," "sale at wholesale," and "wholesale sales" mean sale or offer for sale of a selected dairy product for purposes of resale or further processing or manufacturing, but do not include a producer selling or delivering milk to a manufacturer. A delivery of selected dairy products to a retailer in Minnesota is a sale at wholesale if an assessment required under section 9 has not been paid.*

*Subd. 8. [SELECTED DAIRY PRODUCTS.] "Selected dairy products" means milk for human consumption in fluid form, "fluid milk products" as defined in section 32.391, cottage cheese, "frozen foods" as defined in section 32.55, subdivision 2, "mix" as defined in section 32.55, subdivision 4, and class I milk products and class II milk products as defined by the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part 1060, or successor orders, and includes all dairy products manufactured for human consumption for which no federal or state composition standard or standard of identity have been established.*

*Subd. 9. [WHOLESALE.] "Wholesaler" means a person in the business of making sales of selected dairy products at wholesale in Minnesota. In the case of a person in the business of making sales at both retail and wholesale, "wholesaler" applies only to the sales at wholesale.*

**Sec. 7. [32.71] [DUTIES AND POWERS OF THE COMMISSIONER; DATA PRIVACY.]**

*Subdivision 1. [DUTIES; RULES.] The commissioner shall administer sections 32.70 to 32.72 and may adopt permanent or emergency rules as necessary to carry out that duty.*

*Subd. 2. [INVESTIGATIVE POWERS.] The commissioner may:*

*(1) enter at all reasonable hours any place where a selected dairy product is being processed, bottled, stored, kept, or sold, or where the books, papers, records, or documents pertaining to any transaction that relates to any selected dairy product are kept;*

*(2) only inspect, audit, and make copies of books, papers, records, accounts, or other documents that are necessary to determine compliance with this chapter; and*

*(3) sign subpoenas, administer oaths and affirmations, examine witnesses, and receive evidence.*

*Subd. 3. [DATA PRIVACY.] All information received by the commissioner on a manufacturer or wholesaler for the purpose of administration and enforcement of sections 6 to 9 shall be classified private data or nonpublic data pursuant to chapter 13. That classification shall not limit the use of the information in the preparation, institution, or conduct of a legal proceeding by the commissioner in enforcing this chapter.*

**Sec. 8. [32.711] [SALES BELOW RETAIL COST PROHIBITED; EXCEPTION.]**

*A retailer may not sell or offer for sale a selected dairy product at a retail price lower than the retail cost paid. A retailer may not use any method or device in the sale or offer for sale of a selected dairy product which results in a violation of this section. This prohibition does not apply to a sale complying with section 325D.06, clauses (1) to (4). This restriction does not apply to giving away selected dairy products free provided that such offer does not require a purchase by the customer.*

**Sec. 9. [32.72] [MILK ASSESSMENT.]**

*Subdivision 1. [ASSESSMENT FORMULA.] The commissioner shall assess the manufacturer that makes the first sale of a selected dairy product*



at wholesale for ultimate retail sale in Minnesota an amount determined as follows:

(a) For each gallon of milk used in the manufacture of a selected dairy product sold at wholesale for ultimate retail sale in Minnesota, except an item listed in paragraph (b), the assessment is 50 cents.

(b) For each gallon of frozen foods, including mix, sold at wholesale for ultimate retail sale in Minnesota, the assessment is 20 cents.

Subd. 2. [EXEMPTION.] A manufacturer that operates retail home delivery sales accounting for 50 percent or more of all sales of selected dairy products is exempt from the assessments in subdivision 1.

Subd. 3. [EQUALIZATION POOL.] Any amounts paid in subdivision 1 shall be paid into an equalization fund created by the commissioner for redistributing such payments at a uniform rate to Minnesota Grade A and B milk producers. Such redistribution may be made indirectly to a responsible person, who in turn must pay Grade A and B milk producers at the uniform distribution rate.

#### Sec. 10. [TRANSFER OF FUNDS.]

The commissioner shall transfer the remainder of the funds in the dairy industry unfair trade practices account to the milk services account.

#### Sec. 11. [SEVERABILITY.]

If any provision of section 9 is held to be unconstitutional, then all of section 9 is inoperative and of no effect.

#### Sec. 12. [REPEALER.]

Minnesota Statutes 1992, sections 32A.01, 32A.02, 32A.03, 32A.04, 32A.05, 32A.07, 32A.071, 32A.08, and 32A.09, are repealed.

#### Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective the day following final enactment except that the requirement for assessments under section 9 is effective on the first day of the month following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; repealing the dairy unfair trade practices act; imposing an assessment on selected dairy products; changing enforcement procedures; providing for fees; providing penalties; amending Minnesota Statutes 1992, sections 17.982, subdivision 1; 17.983, subdivision 1; 17.984, subdivision 1; and 32.394, subdivisions 8d and 9; proposing coding for new law in Minnesota Statutes, chapter 32; repealing Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.03; 32A.04; 32A.05; 32A.07; 32A.071; 32A.08; and 32A.09."

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

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 212: A bill for an act relating to taxation; increasing certain tax rates for support of nonprofit arts organizations; providing for distribution of tax proceeds; amending Minnesota Statutes 1992, sections 129D.01; 297A.02, by adding subdivisions; 297A.44, subdivision 1; 349A.10, subdivision 5; and Laws 1986, chapter 396, section 5; proposing coding for new law in Minnesota Statutes, chapter 129D.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Finance without recommendation. Report adopted.

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

S.F. No. 183: A bill for an act relating to data practices; comprehensive law enforcement data; classifying photographs of certain incarcerated persons as public; amending Minnesota Statutes 1992, section 13.82, 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 1992, section 13.82, is amended by adding a subdivision to read:

*Subd. 2a. [BOOKING PHOTOGRAPHS.] (a) A booking photograph of an adult person taken by a law enforcement agency is private data on individuals until the conviction of the person.*

*(b) A law enforcement agency may withhold access to a booking photograph that becomes public data if the agency determines that release of the photograph would impede the law enforcement process or jeopardize an active investigation.*

Sec. 2. Minnesota Statutes 1992, section 13.82, subdivision 5, is amended to read:

Subd. 5. [DATA COLLECTION.] Except for the data defined in subdivisions 2, 2a, 3, and 4, investigative data collected or created by a law enforcement agency in order to prepare a case against a person, whether known or unknown, for the commission of a crime or civil wrong is confidential or protected nonpublic while the investigation is active. Inactive investigative data is public unless the release of the data would jeopardize another ongoing investigation or would reveal the identity of individuals protected under subdivision 10. Photographs which are part of inactive investigative files and which are clearly offensive to common sensibilities are classified as private or nonpublic data, provided that the existence of the photographs shall be disclosed to any person requesting access to the inactive investigative file. An investigation becomes inactive upon the occurrence of any of the following events:

(a) a decision by the agency or appropriate prosecutorial authority not to pursue the case;

(b) expiration of the time to bring a charge or file a complaint under the applicable statute of limitations, or 30 years after the commission of the offense, whichever comes earliest; or

(c) exhaustion of or expiration of all rights of appeal by a person convicted on the basis of the investigative data.

Any investigative data presented as evidence in court shall be public. Data determined to be inactive under clause (a) may become active if the agency or appropriate prosecutorial authority decides to renew the investigation.

During the time when an investigation is active, any person may bring an action in the district court located in the county where the data is being maintained to authorize disclosure of investigative data. The court may order that all or part of the data relating to a particular investigation be released to the public or to the person bringing the action. In making the determination as to whether investigative data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, to the agency or to any person identified in the data. The data in dispute shall be examined by the court in camera.

Sec. 3. Minnesota Statutes 1992, section 13.82, subdivision 8, is amended to read:

Subd. 8. [PUBLIC BENEFIT DATA.] Any law enforcement agency may make any data classified as ~~confidential or protected nonpublic~~ *not public data* pursuant to subdivision 2a or 5 accessible to any person, agency, or the public if the agency determines that the access will aid the law enforcement process, promote public safety, or dispel widespread rumor or unrest."

Delete the title and insert:

"A bill for an act relating to data practices; comprehensive law enforcement data; classifying booking photographs; amending Minnesota Statutes 1992, section 13.82, subdivisions 5 and 8, and by adding a subdivision."

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

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

S.F. No. 764: A bill for an act relating to criminal procedure; authorizing the presence of a supportive person during certain criminal proceedings in which a minor is testifying as a prosecuting witness; amending Minnesota Statutes 1992, section 631.046, subdivision 1.

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

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

S.F. No. 577: A bill for an act relating to controlled substances; prescribing penalties for failure to comply with the precursor chemical tracking system; requiring reporting of missing substances and purchases made out of state; clarifying reporting requirements; amending Minnesota Statutes 1992, sections 152.0971, subdivision 1, and by adding subdivisions; 152.0972, subdivision 1; 152.0973, subdivisions 2, 3, and by adding a subdivision; and 152.0974; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1992, section 152.0973, subdivision 4.

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

Page 2, delete section 4.

Page 3, line 11, delete "*who receives*" and insert "*of*"

Page 3, line 13, delete "*receipt*" and insert "*taking possession*"

Page 6, line 9, delete "10" and insert "9" and delete "11" and insert "10"

Renumber the sections in sequence

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

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

S.F. No. 867: A bill for an act relating to motor vehicles; increasing penalty for fraudulently allowing use or possession of certificate of title; establishing automobile theft prevention program and creating board; increasing penalty for falsely reporting crime; amending Minnesota Statutes 1992, sections 168A.30; and 609.505; proposing coding for new law in Minnesota Statutes, chapter 168A.

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

Pages 1 and 2, delete section 1

Page 3, line 24, delete "FEES" and insert "SURCHARGE" and delete "*a \$1 fee is*" and insert "*each insurer engaged in the writing of policies of automobile insurance shall collect a surcharge, at the rate of 50 cents per vehicle for every six months of coverage, on each policy of automobile insurance issued or renewed in this state. The surcharge shall not be considered premium for any purpose, including the computation of premium tax or agents' commissions. The amount of the surcharge shall be separately stated on either a billing or policy declaration sent to an insured. Insurers shall remit the revenue derived from this surcharge to the board for purposes of the automobile theft prevention program.*"

Page 3, delete lines 25 to 29

Page 3, line 30, delete everything before "For"

Page 3, line 35, delete "fee" and insert "surcharge"

Page 4, after line 10, insert:

"Sec. 3. [REPEALER.]

*Section 1 is repealed January 1, 1999.*"

Page 4, line 12, delete "*Sections 1 and 3 are*" and insert "*Section 2 is*" and delete "*apply*" and insert "*applies*"

Page 4, line 13, delete "2" and insert "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 "of title;"

Page 1, line 7, delete "sections 168A.30; and" and insert "section"

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

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

S.F. No. 798: A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

Reports the same back with the recommendation that 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 903: A bill for an act relating to public employees; authorizing a local police civil service commission to adopt rules allowing the striking of a name on the civil service eligible register after a one-year period; amending Minnesota Statutes 1992, section 419.06.

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

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

S.F. No. 96: A bill for an act relating to the environment; wastewater treatment; clarifying rulemaking provisions for pollution control agency adoption of wastewater treatment standards; changing the composition of the technical advisory committee; changing the definition of individual on-site treatment system; amending Minnesota Statutes 1992, sections 115.44, subdivisions 4, 6, and 7; 115.54; and 116.18, subdivision 3c.

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

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

S.F. No. 611: A bill for an act relating to state government; executive council; regulating depositories for state funds; amending Minnesota Statutes 1992, section 9.031, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 9; repealing Minnesota Statutes 1992, section 9.031, subdivisions 1, 2, 3, 4, 5, and 10.

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

Page 1, line 13, after "banks" insert ", credit unions,"

Page 1, delete lines 19 and 20

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

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

S.F. No. 688: A bill for an act relating to state government; changing the name of the council on affairs of Spanish-speaking people to the council on affairs of Mexicano/Chicano and Latino people; making related changes in definitions and duties; amending Minnesota Statutes 1992, section 3.9223, subdivisions 1, 2, 3, 5, 7, and by adding a subdivision; repealing Minnesota Statutes 1992, section 3.9223, subdivision 4.

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

Page 1, line 13, strike "A" and insert "The"

Page 1, line 14, strike "is created"

Page 1, line 15, delete ", consisting" and insert "consists"

Page 1, line 17, strike "shall" and insert "must"

Page 3, line 12, after "recommendations" insert "to the commissioner and the legislature by November 1 of each year"

Page 3, line 13, strike everything after "people"

Page 3, strike lines 14 and 15

Page 3, line 16, strike "thereafter"

Page 3, lines 27 to 30, delete the new language

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

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

S.F. No. 807: A bill for an act relating to state government; reports to the legislature; prohibiting standing requirements for periodic reports; amending Minnesota Statutes 1992, section 3.195, by adding a subdivision; repealing Minnesota Statutes 1992, section 3.195, 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. [3.196] [REQUIRED REPORTS.]

*A department or agency may not be subject to a continuing requirement to submit a periodic report to the legislature. Each report must be specifically requested.*

*A report to the legislature must contain, at the beginning of the report, the cost of preparing the report, including any cost incurred by another agency or another level of government.*

Sec. 2. Minnesota Statutes 1992, section 3.302, subdivision 3, is amended to read:

Subd. 3. [STATE DOCUMENTS.] The library is a depository of all documents published by the state and ~~shall~~ *must* receive ~~them~~ *six copies of each document* automatically without cost. As used in this chapter, "document" includes any publication issued by the state, constitutional officers, departments, commissions, councils, bureaus, research centers, societies, task forces, including advisory task forces created under section 15.014 or 15.0593, or other agencies supported by state funds, or any publication prepared for the state by private individuals or organizations and issued in print, including all forms of duplicating other than by the use of carbon paper, considered to be of interest or value to the library. Intraoffice or interoffice memos and forms and information concerning only the internal operation of an agency are not included.

Sec. 3. Minnesota Statutes 1992, section 3.302, subdivision 3a, is amended to read:

Subd. 3a. [IDENTIFICATION OF DOCUMENTS.] For all documents deposited under subdivision 3, the library shall require that the issuing agency supply proper bibliographic identification. The identification ~~shall~~ *must* appear on the title page of each volume and include a complete title, a statement of authorship, the name of the publisher, and the date and place of publication. If possible the document ~~shall~~ *must* be consecutively paged. The issuing agency shall include a statement citing the statute or session law with which the report complies, if there is one. *The library shall publish and distribute to legislators and other interested persons a regular checklist of state documents.*

Sec. 4. [INSTRUCTIONS TO REVISOR.]

*It is the intent of the legislature to repeal or otherwise remove from Minnesota Statutes all standing requirements for periodic reports from state agencies to the legislature, effective August 1, 1994. The revisor of statutes shall prepare, for introduction in the 1994 session of the legislature, a bill making changes in Minnesota Statutes consistent with that intent and with section 1.*

Sec. 5. [REPEALER.]

*Minnesota Statutes 1992, section 3.195, is repealed.*

Sec. 6. [EFFECTIVE DATE.]

*Sections 1, 2, 3, and 5, are effective August 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to state government; reports to the legislature; prohibiting standing requirements for periodic reports; amending Minnesota Statutes 1992, section 3.302, subdivisions 3 and 3a; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 1992, section 3.195."*

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

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

S.F. No. 1077: A bill for an act relating to human services; granting authority to make interpretive guidelines; defining interpretive guidelines; providing for a vulnerable adult study; establishing a data practices task force; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 245A.02, subdivision 14; 245A.04, subdivisions 3 and 3b; 245A.06, subdivision 2; 245A.09, subdivision 7, and by adding subdivisions; and 245A.16, subdivision 6; repealing Minnesota Statutes 1992, sections 245A.04, subdivision 3c.

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

Page 6, line 28, reinstate the stricken language

Page 7, line 33, before "If" insert "*For programs and services for people with developmental disabilities, the commissioner of human services shall develop demonstration projects to use the standards of the commission on accreditation of rehabilitation facilities and the standards of the accreditation council on services to persons with disabilities during the period of July 1, 1993, through December 31, 1994, and incorporate the alternative use of such standards and methods in licensing rules where appropriate.*"

Page 7, line 35, after the period, insert "*The commissioner shall present a plan by January 31, 1995, to accept accreditation by either the accreditation council on services to people with disabilities or the commission on the accreditation of rehabilitation services as evidence of being in compliance where applicable with state licensing.*"

Page 10, delete lines 7 to 16 and insert:

*"The commissioners of health and human services shall establish an advisory committee including consumers and their advocates, providers, county officials, and state officials to make recommendations on the means of preventing maltreatment of vulnerable adults and for the provisions of protective services to vulnerable adults. In making their recommendations, the advisory committee shall review all services and protections available under existing state and federal laws with the focus on eliminating duplication of effort among various local, state, and federal agencies and minimizing possible conflicts of interest by establishing a statewide process of coordination of responsibilities. A report with recommendations for state law changes and changes to Minnesota Rules, parts 9555.8000 to 9555.8500, shall be made to the governor and legislature not later than February 1, 1994."*

Pages 10 and 11, delete sections 14 and 15

Amend the title as follows:

Page 1, line 5, delete "establishing a data practices task force;"

Page 1, lines 10 and 11, delete "; repealing Minnesota Statutes 1992, sections 245A.04, subdivision 3c"

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

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

S.F. No. 981: A bill for an act relating to human services; clarifying and changing license evaluation requirements and eliminating certain restrictions



on businesses providing certain adult foster care services; changing the billing cycle and collection retention for certain human services programs; modifying conditions for the Minnesota family investment plan; changing the name of the hearing impaired services act and the council for the hearing impaired; changing requirements for child protection training and clarifying maltreatment reporting; amending Minnesota Statutes 1992, sections 245A.04, subdivision 6; 245A.11, subdivision 2a; 256.019; 256.025, subdivision 3; 256.033, subdivision 1; 256.034, subdivision 1; 256.0361, subdivision 1; 256C.21; 256C.22; 256C.23, subdivisions 2, 3, and by adding a subdivision; 256C.24; 256C.25, subdivision 1; 256C.26; 256C.27; 256C.28; 268.871, subdivision 1; 626.556, subdivisions 10 and 11; 626.559, subdivisions 1 and 1a; and 626.5591.

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

Page 2, delete section 2

Page 17, lines 23 and 24, delete the new language

Page 18, lines 7 to 13, delete the new language

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "eliminating"

Page 1, line 13, delete everything after the first semicolon

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. 413: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in St. Louis county.

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

Page 1, lines 10 and 11, delete "by private sale, for not less than the appraised value," and insert "to the city of Babbitt for no consideration"

Page 1, lines 13 and 14, delete " , under the remaining provisions of Minnesota Statutes, chapter 282"

Page 1, line 15, delete from "The" through page 1, line 16, to "Babbitt."

Page 1, line 17, before the period, insert "and must provide that the land reverts to the state if it is not used for the purpose in paragraph (d)"

Page 1, line 21, after the period, insert "The commissioner of revenue, pursuant to Minnesota Statutes, section 282.37, shall grant and convey to the commissioner of natural resources a permanent easement to Hay Lake for public access and for fisheries and wildlife management across the western 100 feet of the SW 1/4 of the NW 1/4 of Section 2."

Pages 1 and 2, delete section 2

Page 3, line 26, after "River" insert ". Fisheries management easement required"

Page 6, delete lines 4 to 6

Page 6, line 23, after the first comma, insert "except the abandoned railroad right-of-way,"

Renumber the clauses in sequence

Page 7, line 1, delete "to 3" and insert "and 2"

Renumber the sections in sequence

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

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

S.F. No. 529: A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; amending Minnesota Statutes 1992, section 473.167, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

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

Delete everything after the enacting clause and insert:

"Section 1. [16A.713] [AID PENALTIES FOR NONCOMPLIANCE WITH COMPREHENSIVE CHOICE HOUSING ALLOTMENT.]

*For cities and towns which are within the metropolitan urban service area or which are freestanding growth centers, as defined by the metropolitan council established under chapter 473, only those which are certified to be in compliance with the comprehensive choice housing objectives under section 2, subdivision 3, clause (4), shall be eligible to receive aid payments, including, but not limited to, homestead and agricultural credit payments, from the local government trust fund in the calendar year following the year in which certification was made. Aid amounts for cities and towns deemed not to be in compliance with the comprehensive choice housing objectives under section 2, subdivision 3, clause (4), shall be distributed to the cities and towns in the metropolitan area certified by the metropolitan council to be in compliance, in proportion to each city's or town's share of local government aid and equalization aid under section 477A.013. For cities and towns which are partially within and partially without the area, this section shall apply to the proportion of the city's or town's aid equal to the population within the area divided by the total population of the city or town. For the purposes of this section, "population" means the population according to the most recent federal census, or according to the metropolitan council's most recent population estimates if the estimates have been issued subsequent to the most recent federal census.*

Sec. 2. [473.202] [AFFORDABLE HOUSING.]

*Subdivision 1. [POLICY; GOALS.] In order to protect and enhance the social and economic health of the metropolitan region and each community in the region, it is the legislature's policy to encourage development of a full range of housing options in every community in the metropolitan area. The legislature's goals are to: provide citizens with housing choices; remove barriers to the development of a comprehensive range of housing; create incentives for each community to develop housing that will serve residents as their income and housing needs change; reduce traffic congestion in the metropolitan area by providing people opportunities to live near their work in housing that is affordable to them; allow people to live near where jobs are being created; allow people to remain in their community as their situations and needs change; and have each community implement the housing policy and goals of the region.*

*Subd. 2. [DEFINITIONS.] The definitions in this subdivision apply to this section.*

*(a) "Affordable housing" means housing that requires households to expend no more than 30 percent of their household income on housing and housing related expenses.*

*(b) "Comprehensive choice housing" means single-family and multifamily housing that is affordable for households at income levels throughout the full range of metropolitan area incomes, including housing that is affordable to individuals and households with incomes less than or equal to 30 percent, 50 percent, 80 percent, and 100 percent of median income.*

*(c) "Comprehensive choice housing allotment" means a city's or town's allocation of comprehensive choice housing distributed on a fair-share basis under subdivision 3.*

*(d) "Median income" means median household income, adjusted for family size, for the Minneapolis-St. Paul metropolitan statistical area as determined by the federal Department of Housing and Urban Development.*

*(e) "Substantial compliance" means that at least 75 percent of the cities and towns in a sector of the metropolitan area are certified as meeting the comprehensive choice requirements under subdivision 3, clause (4).*

*Subd. 3. [COMPREHENSIVE CHOICE HOUSING ALLOTMENT; OBJECTIVES; RULES.] Before July 1, 1994, the metropolitan council shall adopt rules and objectives governing opportunities for comprehensive choice housing in the metropolitan urban service area and freestanding growth centers. The council shall contract with the office of administrative hearings to conduct public hearings to adopt rules under this subdivision. The council shall give notice at least 30 days before the hearing by publishing a notice in the State Register and mailing a notice to persons and groups who have requested notification. At the hearing, the public shall have an opportunity to give testimony and question council representatives and council staff. Rules and objectives adopted under this subdivision must:*

*(1) analyze the metropolitan urban service area's and freestanding growth centers' present and prospective need for comprehensive choice housing, including the need for multifamily and single-family housing for individuals and households at 30 percent, 50 percent, and 80 percent of median income. Local, state, and federal agencies shall work cooperatively with the council to*

identify, collect, and augment relevant data and studies without duplicating other analytical efforts;

(2) allocate the metropolitan urban service area's and freestanding growth centers' comprehensive choice housing needs, on a fair-share basis, to cities and towns in the metropolitan urban service area and freestanding growth centers' area.

Using the most current and reliable information available, the council shall develop a formula for allocating the metropolitan area's comprehensive choice housing needs to cities and towns within the metropolitan urban service area and freestanding growth centers. The formula developed by the council shall include the following factors:

(i) distribution of housing units by value or rent and the proportion of those units affordable to households earning 30 percent, 50 percent, and 80 percent of median income considering housing tenure, type and availability;

(ii) income distribution of households considering the number of households with incomes that are 30 percent, 50 percent, and 80 percent of median income, and the proportion of those households paying more than 30 percent of their household income on housing and housing related expenses;

(iii) job base, considering those jobs that provide employment opportunities for lower-income households and the ratio of jobs to households;

(iv) future development potential considering vacant land, the council's forecasts of households and employment, and the annual deviation from the council's forecasts resulting from variation in overall housing construction in the metropolitan area;

(v) future redevelopment potential in cities and towns with adequate supplies of vacant land to meet their allocation needs, considering age and value of housing, and redevelopment plans of cities and towns; and

(vi) cities' and towns' current and past efforts to provide and sanction housing or housing assistance for low-income households;

(3) determine the extent to which each city or town has, in the past, accomplished its comprehensive choice housing allotment;

(4) describe actions that a city or town may take to:

(i) eliminate barriers to comprehensive choice housing including, but not limited to, the elimination of zoning requirements, development agreements, and local development practices that impose barriers to the development of comprehensive choice housing;

(ii) utilize available opportunities that will meet the objective of providing comprehensive choice housing development; and

(iii) maintain housing affordability;

(5) establish annual review procedures, requirements, and guidelines for council review and certification of city and town compliance with the fair-share housing allocation; and

(6) establish procedures through which the council shall adopt and execute a plan to facilitate, coordinate, and, to the extent of available resources, cause the development of affordable comprehensive choice housing in all

*cities and towns where the supply of affordable housing is inadequate to meet the objectives under this section. Based on the factors in clause (2), the plan shall prioritize the proposed development of affordable comprehensive choice housing in inverse proportion to the percentage of available low- and moderate-income housing in each respective city or town.*

**Subd. 4. [PERIODIC REVIEW OF COMPREHENSIVE CHOICE HOUSING ALLOTMENT RULES.]** *The council shall review and assess the comprehensive choice housing allotment rules at least every five years following their effective date. No major changes to procedures for allocating comprehensive choice housing or evaluating compliance under subdivision 3, clause (4), shall be made until 90 days after a report to the legislature on proposed changes to the comprehensive choice housing allotment rules. The report must be submitted to the legislature in January.*

**Subd. 5. [COMPREHENSIVE CHOICE HOUSING COUNSELING.]** *The council shall provide or contract for housing counseling services. The counseling services must promote comprehensive housing choice throughout the metropolitan area by providing services to poor persons living in areas of concentrated poverty by locating available housing, counseling people on the advantages and disadvantages of housing locations, and offering on-site visits to available housing.*

**Subd. 6. [REVIEW AND CERTIFICATION.]** (a) *Beginning February 1, 1995, the council shall annually review and certify a city's or town's compliance with the objectives of comprehensive choice housing under subdivision 3, clause (4). A city or town shall be in compliance when it has taken all actions required by council rules adopted under the authority of subdivision 3, clause (4), or when it has achieved its comprehensive choice allotment.*

(b) *Before January 1, 1996, and each subsequent year, the council shall certify to the department of revenue, the cities and towns that are in compliance with the comprehensive choice housing objectives under subdivision 3, clause (4). At the time of certification, the council shall send a written notice to each uncertified city and town describing: the nature of the noncompliance, the types of corrective actions necessary for the city or town to be certified, and the penalties for noncompliance under subdivision 7 and section 16A.713.*

(c) *The council shall establish appeal procedures for uncertified cities and towns to obtain a review of the council's determination under this subdivision.*

**Subd. 7. [COUNCIL PENALTIES FOR NONCOMPLIANCE WITH THE COMPREHENSIVE CHOICE HOUSING ALLOTMENT.]** *After January 1, 1996, in addition to the penalties for noncompliance under section 16A.713, the council shall not:*

(1) *approve, or favorably receive, any proposed project or plan for a sector in which the council finds substantial noncompliance with the comprehensive choice housing objectives that will grant any extensions to urban service area boundaries, except to address environmental contamination problems or in demonstrated cases of undue economic hardship for the property owner affected and in cases of undue economic hardships for no more than ten acres;*  
or

(2) approve any element of a plan or proposed project that will grant any increased sewer service or access for a city or town that is not certified by the council under subdivision 6, except to address environmental contamination problems or in demonstrated cases of undue economic hardship for the property owner affected.

For purposes of this subdivision, the council shall define sector on a case-by-case basis to mean any contiguous area that includes the proposed sewer, or sewer extension project and is served by the sewer, or proposed project or extension.

Sec. 3. [APPLICATION.]

Sections 1 and 2 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473."

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

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

H.F. No. 298 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.
298	277				

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. 585 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.
				585	444

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 585 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 585 and insert the language after the enacting clause of S.F. No. 444, the second engrossment; further, delete the title of H.F. No. 585 and insert the title of S.F. No. 444, the second engrossment.

And when so amended H.F. No. 585 will be identical to S.F. No. 444, and further recommends that H.F. No. 585 be given its second reading and substituted for S.F. No. 444, 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. 787, 366, 702, 483, 334, 704, 441, 532, 183, 764, 577, 903, 96, 611, 688, 807, 981 and 413 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 298 and 585 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Sams moved that the name of Mr. Lessard be added as a co-author to S.F. No. 831. The motion prevailed.

Mr. Solon moved that the name of Mr. Lessard be added as a co-author to S.F. No. 975. The motion prevailed.

Ms. Berglin moved that the name of Mr. Finn be added as a co-author to S.F. No. 979. The motion prevailed.

Mr. Benson, D.D. moved that his name be stricken as a co-author to S.F. No. 1117. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Ms. Runbeck be added as a co-author to S.F. No. 1132. The motion prevailed.

Mr. Solon moved that the names of Messrs. Kelly and Finn be added as co-authors to S.F. No. 1139. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Finn be added as a co-author to S.F. No. 1176. The motion prevailed.

Ms. Krentz moved that the names of Messrs. Finn and Chandler be added as co-authors to S.F. No. 1219. The motion prevailed.

Ms. Krentz moved that the name of Mr. Luther be added as a co-author to S.F. No. 1231. The motion prevailed.

Mr. Mondale moved that his name be stricken as a co-author to S.F. No. 1250. 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. Morse, Riveness, Chandler, Price and Dille introduced—

S.F. No. 1252: A bill for an act relating to state government; consolidating and coordinating state environmental and natural resource programs; reorganizing and restructuring state agencies and departments; creating the sustainable environmental policy board; creating the department of environmental protection; adding powers and duties to the department of natural resources; transferring all the powers and duties of the environmental quality board, the pollution control agency, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and the Minnesota public facilities authority, and abolishing these agencies; transferring certain powers and duties of the departments of administration, commerce, trade and economic development, and the metropolitan council; requiring further studies and reports; amending Minnesota Statutes 1992, sections 15.01; 15A.081, subdivision 1; 84.01, subdivisions 1 and 3; 84.027, by adding a subdivision; 103B.3355; 103D.101, subdivision 2; 115B.25, subdivision 2; 115B.28, subdivisions 1 and 4; 115B.35, subdivisions 1, 4, 5, and 6; 115C.07, subdivision 3; 115C.10, subdivision 1; 116.01; 116.02, subdivision 5; 116.03, subdivisions 1 and 2; 116C.01; 116C.02; 116C.03, subdivisions 1, 2, and 3a; 116C.04, subdivision 2; 116C.24, subdivisions 2, 2a, and 3; 116C.25; 116C.34; 144.871, subdivision 5; 326.71, subdivision 5; 446A.02, subdivision 3; 446A.04, subdivisions 1 and 5; 446A.07, subdivisions 4, 5, and 6; 446A.071, subdivisions 3, 4, and 5; 446A.10, by adding a subdivision; 473.811, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116C; repealing Minnesota Statutes 1992, sections 103B.101, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, and 10; 103B.205, subdivision 2; 103B.305, subdivision 2; 103B.3363, subdivision 2; 103C.101, subdivision 12; 103D.011, subdivision 5; 115A.03, subdivisions 8a and 22a; 115A.055; 115B.27; 115C.07, subdivisions 1 and 2; 115D.03, subdivision 4; 116.02, subdivisions 1, 2, 3, and 4; 116.03, subdivision 6; 116.04; 446A.02, subdivision 2; and 446A.03.

Referred to the Committee on Governmental Operations and Reform.

Ms. Runbeck, Mr. Kelly, Ms. Robertson and Mr. Novak introduced—

S.F. No. 1253: A bill for an act relating to economic development; creating the urban initiative board to encourage urban development; providing for a grant program; requiring the board to adopt rules; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116M.

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

Ms. Runbeck, Messrs. Moe, R.D.; Marty; Mondale and Neuville introduced—



S.F. No. 1254: A bill for an act relating to state government; revising laws governing the intergovernmental information systems advisory council; amending Minnesota Statutes 1992, section 16B.42.

Referred to the Committee on Governmental Operations and Reform.

Mr. Bertram introduced—

S.F. No. 1255: A bill for an act relating to taxation; aggregate material; changing the time when penalty for late payment begins; amending Minnesota Statutes 1992, section 298.75, subdivisions 4 and 5.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Benson, J.E.; Messrs. Bertram, Neuville, Mrs. Adkins and Ms. Robertson introduced—

S.F. No. 1256: A bill for an act relating to lawful gambling; bingo; providing an exception to licensing and regulation for certain organizations; amending Minnesota Statutes 1992, section 349.166, subdivision 1.

Referred to the Committee on Gaming Regulation.

Messrs. Morse and Frederickson introduced—

S.F. No. 1257: A bill for an act relating to the environment; establishing an environmental cleanup program for closed permitted landfills; establishing a landfill and solid waste fund; authorizing rulemaking; transferring money; appropriating money; amending Minnesota Statutes 1992, sections 115.073; 115A.923, subdivisions 1 and 1a; 115A.929; 383D.71, subdivision 1; 473.801, subdivision 1; 473.843, subdivisions 1 and 2; and 473.847; proposing coding for new law in Minnesota Statutes, chapter 115B; repealing Minnesota Statutes 1992, sections 115B.42; 473.844; and 473.845.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1258: A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 1259: A bill for an act relating to family law; joint physical custody; providing a standard for reviewing requests to move a child's residence out of state; amending Minnesota Statutes 1992, section 518.18.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 1260: A bill for an act relating to public employment; providing that the local government pay equity act does not limit the ability of public employees to strike; requiring the commissioner of employee relations to consider the effects of strikes in determining whether political subdivisions

are in conformity with the act; amending Minnesota Statutes 1992, sections 471.992, subdivision 1; and 471.9981, subdivision 6.

Referred to the Committee on Governmental Operations and Reform.

Mr. Cohen introduced—

S.F. No. 1261: A bill for an act relating to courts; authorizing the commissioner of revenue to disclose certain tax information to the court for purposes of determining public defender eligibility; providing for funding of a screener-collector position in the eighth judicial district; authorizing payment of fines and other financial obligations of criminal defendants by credit card; appropriating money; amending Minnesota Statutes 1992, sections 270B.14, by adding a subdivision; 357.021, subdivision 1a; and 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Crime Prevention.

Ms. Anderson, Messrs. Spear, Kelly and Ms. Ranum introduced—

S.F. No. 1262: A bill for an act relating to the metropolitan transit commission; authorizing the commission to appoint peace officers and establish a law enforcement agency; amending Minnesota Statutes 1992, sections 473.405, by adding subdivisions; and 626.84, subdivision 1; repealing Minnesota Statutes 1992, section 629.40, subdivision 5.

Referred to the Committee on Crime Prevention.

Messrs. Bertram, Berg and Langseth introduced—

S.F. No. 1263: A bill for an act relating to agriculture; clarifying procedures for the use of certain organisms; amending Minnesota Statutes 1992, sections 116C.91, subdivisions 3, 6, 7, and by adding a subdivision; and 116C.94.

Referred to the Committee on Agriculture and Rural Development.

Mr. Novak introduced—

S.F. No. 1264: A bill for an act relating to traffic regulations; defining residential roadways and establishing speed limits; amending Minnesota statutes 1992, sections 169.01, by adding a subdivision; 169.06, by adding a subdivision; and 169.14, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Mses. Runbeck, Krentz, Messrs. Terwilliger, Neuville and Ms. Hanson introduced—

S.F. No. 1265: A bill for an act relating to education; modifying the community education formula; authorizing an additional amount to be spent on equipment; amending Minnesota Statutes 1992, section 124.2713, subdivisions 3 and 8.

Referred to the Committee on Education.

Messrs. Bertram, Berg, Ms. Hanson, Mr. Stevens and Mrs. Pariseau introduced—

S.F. No. 1266: A bill for an act relating to agriculture; renaming the commissioner and department of agriculture as the commissioner and department of agriculture, food, and land stewardship; clarifying the commissioner's authority and responsibilities; appropriating money for a study; amending Minnesota Statutes 1992, sections 17.01; and 17.013; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Mrs. Benson, J.E.; Mr. Berg, Ms. Olson, Messrs. Finn and Stevens introduced—

S.F. No. 1267: A bill for an act relating to game and fish; authorizing certain disabled permit holders to take deer of either sex; amending Minnesota Statutes 1992, section 97B.055, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck, Mrs. Pariseau and Ms. Kiscaden introduced—

S.F. No. 1268: A bill for an act relating to the legislature; requiring the publication of bill summaries; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Ms. Berglin, Messrs. Kelly, Novak, Ms. Anderson and Mr. Belanger introduced—

S.F. No. 1269: A bill for an act relating to tax increment financing; exempting housing districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving first increment; changing certain limits on expenditures for housing districts; changing the time period tax increments may be used for interest reduction programs; changing the maximum duration of housing districts; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivision 4; 469.175, subdivision 1, and by adding a subdivision; 469.176, subdivisions 1 and 4f; 469.1763, subdivision 2; and 469.177, subdivisions 1 and 2.

Referred to the Committee on Metropolitan and Local Government.

Mr. Chandler introduced—

S.F. No. 1270: A bill for an act relating to human services; adding an exception to the moratorium on the development of group residential housing beds; amending Minnesota Statutes 1992, section 2561.04, subdivision 3.

Referred to the Committee on Health Care.

Messrs. Metzen; Johnson, D.E.; Moe, R.D.; Samuelson and Solon introduced—

S.F. No. 1271: A resolution memorializing Indian tribal casinos in Minnesota to compete fairly with Minnesota's private sector hospitality industry.

Referred to the Committee on Commerce and Consumer Protection.

Mses. Ranum, Robertson, Krentz and Mr. Janezich introduced—

S.F. No. 1272: A bill for an act relating to education; changing educational effectiveness; creating school improvement grants; creating requirements for financial training for school boards; changing training and experience revenue; creating cost-of-living revenue; creating school restructuring pilots and teacher compensation task forces; appropriating money; amending Minnesota Statutes 1992, sections 120.105; 121.918; 123.33, by adding a subdivision; 123.951; 124A.22, subdivisions 1, 4a, 4b, and by adding a subdivision; 124A.28, subdivision 1; 124A.29, subdivision 1; and 126.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 121.

Referred to the Committee on Education.

Mr. Murphy introduced—

S.F. No. 1273: A bill for an act relating to wetlands; leasing by the state; amending Minnesota Statutes 1992, section 97A.145, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Murphy introduced—

S.F. No. 1274: A bill for an act relating to pollution control; defining the qualified recipients for combined sewer overflow abatement assistance; providing for the issuance of bonds; appropriating money; amending Minnesota Statutes 1992, section 116.162, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Messrs. Mondale, Chandler, Ms. Anderson, Messrs. Morse and Merriam introduced—

S.F. No. 1275: A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; creating a pollution abatement loan and grant program in the department of trade and economic development; providing for loan repayment by municipalities; authorizing the issuance of bonds and the making of loans and grants; appropriating money; amending Minnesota Statutes 1992, section 115B.175, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115B; and 116J.

Referred to the Committee on Environment and Natural Resources.

Messrs. McGowan, Spear, Kelly, Laidig and Neuville introduced—

S.F. No. 1276: A bill for an act relating to crime victims; restitution; requiring the deduction from a prison inmate's wages of unpaid restitution

obligations from previous convictions; requiring the deduction of unpaid restitution obligations from tax refunds before deducting debts other than taxes and child support; permitting forfeited bail proceeds to be used to pay restitution obligations; waiving fees for the docketing of a restitution order as a civil judgment; amending Minnesota Statutes 1992, sections 243.23, subdivision 3; 270A.10; and 611A.04, subdivisions 1 and 3.

Referred to the Committee on Crime Prevention.

Mr. Johnson, D.E. introduced—

S.F. No. 1277: A bill for an act relating to human services; defining nursing facility length of stay; changing the property-related payment rate for nursing facilities; adding changes to the nursing facility reimbursement; eliminating a nursing facility certified audit of financial statements; adding changes to ICF/MR reimbursement; changing provider appeals; granting inflation adjustments for nursing facilities; amending Minnesota Statutes 1992, sections 256B.03, by adding a subdivision; 256B.431, subdivisions 2o, 13, 15, and by adding a subdivision; 256B.47, subdivision 3; 256B.48, subdivision 2; 256B.50, subdivision 1b; and 256B.501, subdivisions 3g, 3i, and by adding a subdivision; repealing Minnesota Statutes 1992, section 252.478, subdivisions 1, 2, and 3.

Referred to the Committee on Health Care.

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

S.F. No. 1278: A bill for an act relating to controlled substances; medical care; allowing physicians to prescribe marijuana and Tetrahydrocannabinols for the treatment of any medical conditions; amending Minnesota Statutes 1992, sections 152.02, subdivisions 2 and 3; and 152.21, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1992, sections 152.21, subdivisions 1, 2, 3, 4, 5, and 7.

Referred to the Committee on Health Care.

Mr. Luther introduced—

S.F. No. 1279: A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

Referred to the Committee on Governmental Operations and Reform.

Ms. Piper introduced—

S.F. No. 1280: A bill for an act relating to retirement; Austin fire department relief association; modifying health insurance coverage for spouses of certain retired firefighters; excluding Austin part-time on-call firefighters from the application of certain laws; permitting the reinstatement of certain survivor benefits; amending Laws 1992, chapter 455, section 2.

Referred to the Committee on Governmental Operations and Reform.

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

S.F. No. 1281: A bill for an act relating to Polk county; permitting the consolidation of the offices of auditor and treasurer.

Referred to the Committee on Metropolitan and Local Government.

Mr. Pogemiller introduced—

S.F. No. 1282: A bill for an act relating to retirement; Minneapolis and St. Paul teachers retirement fund associations; changing member and employer contribution rates; requiring additional funding support from the state of Minnesota, the city of Minneapolis, and the city of St. Paul; establishing an additional investment related postretirement adjustment mechanism for the St. Paul teachers retirement fund association; amending Minnesota Statutes 1992, section 354A.12, subdivisions 1, 2a, and by adding a subdivision; repealing Minnesota Statutes 1992, section 354A.12, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Mr. Samuelson introduced—

S.F. No. 1283: A bill for an act relating to lawful gambling; reducing the rate of the tax on pull-tabs and tipboards; amending Minnesota Statutes 1992, section 349.212, subdivision 4.

Referred to the Committee on Gaming Regulation.

Mr. Samuelson introduced—

S.F. No. 1284: A bill for an act relating to the city of Garrison; establishing a dedicated fund to meet city expenses to pay for construction of a city sewer system; permitting a one percent local sales tax upon approval by the city council; providing for a sunset on the tax.

Referred to the Committee on Metropolitan and Local Government.

Mr. Samuelson introduced—

S.F. No. 1285: A bill for an act relating to utilities; requiring utility to file with its tariff a plan for extended residential electric service to allow ten-year period for residential customer to pay excess costs attributed to the extension; amending Minnesota Statutes 1992, section 216B.42, by adding a subdivision.

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

Mr. Pogemiller introduced—

S.F. No. 1286: A bill for an act relating to education; appropriating money for matching grants for "male responsibility" pilot programs.

Referred to the Committee on Education.

Messrs. Price and Hottinger introduced—

S.F. No. 1287: A bill for an act relating to taxation; sales and use; exempting certain pollution control equipment; amending Minnesota Statutes 1992, section 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

**MEMBERS EXCUSED**

Mses. Flynn, Pappas, Runbeck, Messrs. Neuville, Pogemiller and Price were excused from the Session of today.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Thursday, March 25, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-SIXTH DAY

St. Paul, Minnesota, Thursday, March 25, 1993

The Senate met at 9:00 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. Walter Flesner.

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

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

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 24, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	146	7	3:10 p.m. 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 House File, herewith transmitted: H.F. No. 1377.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 24, 1993

### FIRST READING OF HOUSE BILLS

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

H.F. No. 1377: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

Referred to the Committee on Rules and Administration.

### REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 496. The motion prevailed.

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

H.F. No. 70: A bill for an act relating to state lands; authorizing a conveyance to the city of St. Cloud of certain land owned by the state as a part of St. Cloud State University.

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

Page 1, line 8, delete "any other"

Page 1, line 9, delete everything before the comma and insert "Minnesota Statutes, sections 92.45 and 94.09 to 94.13"

Page 1, line 15, delete "for public purpose"

Page 1, line 16, after "*consideration*" insert a comma and after the period, insert "*The conveyance must provide that the land reverts to the state if it is not used for park purposes.*"

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

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

S.F. No. 968: A bill for an act relating to human services; changing the distribution scheme for money appropriated for the foodshelf program; appropriating money; amending Minnesota Statutes 1992, section 268.55.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Report adopted.

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

S.F. No. 401: A bill for an act relating to occupations and professions; changing education requirements for certification and licensure as a certified public accountant; authorizing rulemaking; amending Minnesota Statutes 1992, sections 326.19; and 326.20, by adding a subdivision.

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

Page 6, line 19, delete "*permits*" and insert "*licenses*"

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

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

S.F. No. 673: A bill for an act relating to human services; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 136A.121, subdivision 2; 214.101, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 257.66, subdivision 3; 257.67, subdivision 3; 257.69, subdivision 1; 518.14; 518.171, subdivisions 1, 2, 3, 4, 6, 7, 8, 10, and by adding a subdivision; 518.24; 518.54, subdivision 4; 518.551, subdivisions 1, 5, 5b, 7, 10, and 12; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivisions 1 and 4; 518.613, subdivision 1; 518.64, subdivisions 1, 2, 5, and 6; 518.645; 548.09, subdivision 1; 548.091, subdivision 3a; 588.20; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; and 518; repealing Minnesota Statutes 1992, sections 256.979; and 609.37.

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

Page 11, line 9, delete "*six*"

Page 11, line 10, delete the first "*months*" and insert "*90 days*" and delete "*six months*" and insert "*90 days*"

Page 15, lines 28 and 29, delete the new language

Page 15, line 30, reinstate the stricken "may" and delete "shall"

Page 15, line 34, delete "child" and insert "children"

Page 18, line 33, delete "41" and insert "40"

Page 30, lines 12 to 14, reinstate the stricken language and delete the new language

Page 30, lines 17 to 28, reinstate the stricken language and delete the new language

Page 34, delete section 38

Page 35, line 36, delete "41" and insert "40"

Page 38, line 1, delete ". In determining whether a"

Page 38, delete line 2

Page 38, line 3, delete the new language

Pages 41 to 44, delete section 46

Page 47, line 16, delete "49 to 51, and 55" and insert "47 to 49, and 53"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete "subdivisions 1 and" and insert "subdivision"

Page 1, line 16, delete "518.645;"

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

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

S.F. No. 722: A bill for an act relating to the aid to families with dependent children program; directing the commissioner of human services to seek a waiver of federal law regarding the resource limits of a motor vehicle and a waiver allowing an AFDC recipient to deduct the cost of mandatory car insurance from earned income; 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. [256.734]. [WAIVER OF AFDC BARRIERS TO EMPLOYMENT.]

*Subdivision 1. [REQUEST.] The commissioner of human services shall seek from the United States Department of Health and Human Services a waiver of the existing requirements of the AFDC program described below, in order to eliminate barriers to employment for AFDC recipients.*

*(a) The commissioner shall seek a waiver to set the maximum equity value of a licensed motor vehicle which can be excluded as a resource under United*

*States Code, title 42, section 602(a)(7)(B), at \$4,500 because of the need of the AFDC recipients for reliable transportation needed to participate in education, work, and training to become economically self-sufficient.*

*(b) The commissioner shall seek a waiver to allow a deduction for an AFDC applicant or recipient from earned income of verified car insurance costs up to \$60 per month per vehicle when the vehicle is excluded under paragraph (a) in order to encourage participation in education, work, and training to become economically self-sufficient.*

*(c) The commissioner shall seek a waiver of the counting of the earned income of dependent children and minor caretakers who are attending school at least half-time, in order to encourage them to save at least part of their earnings for future education or employment needs. Savings set aside in a separate account under this clause shall be excluded from the AFDC resource limits in the Code of Federal Regulations, title 45, section 233.20(a)(3).*

*Subd. 2. [IMPLEMENTATION.] If approval from the Department of Health and Human Services indicates that the requested program changes are cost neutral to the federal government and the state, the commissioner shall implement the program changes authorized by this section promptly. If approval indicates that the program changes are not cost neutral, the commissioner shall report the costs to the 1994 legislature and delay implementation until such time as an appropriation to cover additional costs becomes available.*

*Subd. 3. [EVALUATION.] If the federal waiver is granted, the commissioner shall evaluate the program changes according to federal waiver requirements and submit a report to the legislature within a time frame consistent with the evaluation criteria that are established."*

Delete the title and insert:

"A bill for an act relating to human services; directing the commissioner of human services to obtain federal waivers under the AFDC program; proposing coding for new law in Minnesota Statutes, chapter 256."

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

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

S.F. No. 1104: A bill for an act relating to health; modifying provisions relating to unlicensed mental health practitioners and sellers of hearing instruments; establishing enforcement provisions; providing penalties; amending Minnesota Statutes 1992, sections 148B.66, by adding a subdivision; 148B.70, subdivision 3; 153A.14, by adding a subdivision; 153A.15, subdivision 1; and 153A.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 214.

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

Page 4, line 9, delete "less" and insert "only."

Page 4, delete lines 10 and 11

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

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

S.F. No. 1107: A bill for an act relating to health; providing an exception to the contested case hearing process required for changing the service area of an ambulance service; amending Minnesota Statutes 1992, section 144.802, by adding a subdivision.

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

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

S.F. No. 1106: A bill for an act relating to health; authorizing mortality review projects; establishing access to data; limiting the disclosure of information collected, created, or maintained; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Delete everything after the enacting clause and insert:

“Section 1. [145.90] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] As used in sections 145.90 to 145.903, the following terms have the meanings given them.*

*Subd. 2. [COMMISSIONER.] “Commissioner” means the commissioner of health or the commissioner’s designee.*

*Subd. 3. [DATA.] “Data” means all information regarding a subject of a mortality review project, regardless of the medium or format in which the information is collected, created, received, maintained, or disseminated, which is collected, created, compiled, received, maintained, or disseminated by the commissioner for the purposes of a mortality review project.*

*Subd. 4. [FETAL DEATH.] “Fetal death” means the spontaneous death of a fetus that occurs after 20 weeks of gestation and before birth, as reported to the department of health pursuant to section 144.222 and does not mean an induced termination of pregnancy.*

*Subd. 5. [INFANT DEATH.] “Infant death” means the death of an infant that occurs after birth and within the first year of life.*

*Subd. 6. [MATERNAL DEATH.] “Maternal death” means the death of a woman when the death is pregnancy associated.*

*Subd. 7. [MORTALITY REVIEW PROJECT.] “Mortality review project” means a project established by the commissioner to review data regarding fetal, infant, or maternal deaths for the purposes described in section 145.901, subdivision 2.*

*Subd. 8. [PROVIDER.] “Provider” means a state agency, political subdivision, statewide system, a public or private agency, organization, corporation, institution, hospital, facility, or individual that creates, collects, receives, maintains, or disseminates data regarding medical, emergency, or other health care services that have been provided to any subject of a mortality review project.*

*Subd. 9. [SUBJECT.] "Subject" means a decedent whose death is reviewed by a mortality review project as a fetal, infant, or maternal death, and the parents, guardians, or siblings of the decedent.*

**Sec. 2. [145.901] [ESTABLISHMENT OF MORTALITY REVIEW PROJECTS.]**

*Subdivision 1. [AUTHORITY TO ESTABLISH.] The commissioner may establish mortality review projects to review data regarding fetal, infant, or maternal deaths in Minnesota.*

*Subd. 2. [PURPOSES.] The purposes of a mortality review project include:*

*(1) the determination or classification of the causes, contributing factors, or risk factors associated with fetal, infant, or maternal deaths in Minnesota; and*

*(2) the development and dissemination of recommendations to improve public health, medical, emergency, coroner and medical examiner, human service, education, public safety, or law enforcement services and systems in Minnesota as they relate to the prevention of fetal, infant, and maternal deaths.*

**Sec. 3. [145.902] [DATA; ACCESS.]**

*Subdivision 1. [ACCESS TO DATA.] The commissioner has access, without the consent of the subject or the provider, to relevant data as determined by the commissioner, that is collected, created, received, maintained, or disseminated by a provider on a subject of a mortality review project, including identifying information regarding the subject and the provider, regardless of the classification of the data in the possession of the provider. The commissioner's access is limited only by the right of the provider to refuse to release:*

*(1) any data requested by the commissioner if the data is protected by any legally recognized privilege other than the doctor-patient privilege;*

*(2) review organization data defined as confidential under section 145.64; and*

*(3) investigative data of any health-related licensing board as defined in section 214.01, subdivision 2. The data shall be provided at the request of the commissioner. The provider shall not be subject to any action for damages or other relief for the provision of any data to the mortality review project.*

*Subd. 2. [TYPES.] Data about a subject of a mortality review project to which the commissioner has access include, but are not limited to:*

*(1) vital records regarding a subject, including records classified as confidential under section 144.225, subdivision 2;*

*(2) public health, medical, hospital, consultation, and office records and case files;*

*(3) autopsy records; and*

*(4) emergency service data and records.*

*Subd. 3. [AUTHORITY TO CONTACT SUBJECTS.] The commissioner is authorized to contact a subject of a mortality review project for the purpose of collecting data.*

Sec. 4. [145.903] [DATA; DISCLOSURE.]

*Subdivision 1. [CLASSIFICATION.] Notwithstanding the data's classification in the possession of a provider, data on an individual shall be classified as confidential data on an individual as defined in section 13.02, subdivision 3, and data not on an individual shall be classified as protected nonpublic data as defined in section 13.02, subdivision 13, except as provided in subdivision 3.*

*Subd. 2. [PROTECTION.] Data in the possession of the commissioner for the purposes of a mortality review project shall not be subject to discovery or admissible as evidence in any civil, criminal, or administrative action of any kind in any court or before any tribunal, board, agency, or individual. Data available from other sources are not immune from discovery solely because they have been obtained by the commissioner for a mortality review project.*

*Subd. 3. [DISCLOSURE.] The circumstances under which data in the possession of the commissioner for a mortality review project may be disclosed are limited to the following:*

*(1) summary data, as defined in section 13.02, subdivision 19, may be disclosed or disseminated;*

*(2) data on a subject or provider, including identifying information, may be transferred to another mortality review project if doing so will serve the purposes of the mortality review projects; and*

*(3) the findings and recommendations of a mortality review project regarding the cause, contributing factors, or risk factors for a specific fetal, infant, or maternal death that was reviewed by the mortality review project may be disclosed only to the provider about whom the findings and recommendations pertain.*

Sec. 5. [EFFECTIVE DATE.]

*Sections 1 to 4 are effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to health; establishing mortality review projects; classifying data regarding fetal, infant, and maternal deaths; proposing coding for new law in Minnesota Statutes, chapter 145."*

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

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

S.F. No. 496: A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

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.151] [PROHIBITED RESTRICTIONS ON USE OF REAL PROPERTY.]*

*Subdivision 1. [RESTRICTIONS ON RIGHT TO PROVIDE LICENSED DAY CARE PROHIBITED.] No deed; covenant; housing, condominium, or townhouse association bylaw, declaration, or rule; lease, rental agreement, or other conveyance instrument shall restrict the use of residential property to prevent a person from providing licensed home day care services under Minnesota Rules, parts 9502.0315 to 9502.0445. Any restriction that violates this subdivision is void and unenforceable to that extent that it is inconsistent with this section.*

*Subd. 2. [DUTIES OF DAY CARE PROVIDERS.] The day care provider must:*

*(1) carry liability insurance with a rider naming the association or building owner as an additional insured;*

*(2) provide a copy of the certificate of insurance to the association or building owner; and*

*(3) inform the association or building owner of any change in the insurance coverage.*

*The day care provider is not exempt from any rules or regulations of the association or the building owner that also apply to other occupants or residents of the property provided that the rules and regulations are not inconsistent with this section.*

*Subd. 3. [EXEMPTIONS.] This section does not apply to the following types of property:*

*(1) owner-occupied rental property with no more than two units, including the owner-occupied unit;*

*(2) housing for older persons, as defined in United States Code, title 42, section 3607(b), as amended through December 31, 1991;*

*(3) manufactured home parks as defined in section 327.14, subdivision 3;*

*(4) housing for adults only that prohibits children from living on the property; and*

*(5) housing for persons with physical handicaps.*

*Subd. 4. [APPLICABILITY.] The restrictions prohibited under this section apply only to licensed home day care services. This section applies to all deeds, covenants, bylaws, declarations, rules, leases, rental agreements, and other conveyances entered into:*

*(1) prior to the effective date of this section; and*

*(2) on or after the effective date of this section."*

Delete the title and insert:

*"A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A."*

And when so amended the bill do pass. Ms. Robertson questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.



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

S.F. No. 528: A bill for an act relating to retirement; authorizing a second chance Medicare coverage referendum for certain public pension plan members.

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

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

S.F. No. 557: A bill for an act relating to retirement; public employees retirement association; disability benefits; reducing the reduction in benefits to coordinate them with amounts received under workers' compensation law for certain former employees.

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. 426: A bill for an act relating to drivers' licenses; requiring drivers' licenses and identification cards to be less susceptible to alteration; amending Minnesota Statutes 1992, section 171.07, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Transportation and Public Transit, shown in the Journal for March 11, 1993, be amended to read:

"the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 497: A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Transportation and Public Transit, shown in the Journal for March 11, 1993, 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 for proper reference under Rule 35:

S.F. No. 1102 reports the same back with the recommendation that the bill be re-referred as follows:

S.F. No. 1102 to the Committee on Health Care.

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. 734: A bill for an act relating to local government; enabling local government units to obtain waivers of state rules and laws; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83; and 465.87, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465.

Reports the same back with the recommendation that the report from the Committee on Metropolitan and Local Government, shown in the Journal for March 22, 1993, be amended to read:

“the bill be amended and when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform”. 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. 566: A bill for an act relating to retirement; removing the requirement for periodic review of the rule of 90; repealing Minnesota Statutes 1992, section 356.85.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for March 18, 1993, 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 under Rule 35, together with the committee report thereon,

S.F. No. 372: A bill for an act relating to health; clean indoor air act; adding common areas of apartments and condominiums to public places where smoking is prohibited; amending Minnesota Statutes 1992, section 144.413, subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Health Care, shown in the Journal for March 8, 1993, 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. 264: A bill for an act relating to housing; changing program review requirements; increasing deferred loan limits; expanding the types of eligible users of the homesharing program; expanding the project eligibility of the housing trust fund; authorizing cities to sell single-family residential housing under the neighborhood land trust program; expanding the types of eligible service providers and changing the authorized payment structure of the rental assistance for family stabilization program; increasing the income limits for rental housing assistance; establishing the community rehabilitation fund account; consolidating the blighted residential property and capital reserve programs; authorizing tribal Indian housing demonstration projects; amending Minnesota Statutes 1992, sections 462A.05, subdivisions 14a and 24; 462A.07, subdivision 15; 462A.201, subdivision 2; 462A.202, subdivision 7; 462A.205, subdivisions 2, 3, 4, 5, 6, 7, and by adding subdivisions; 462A.21, subdivisions 4c, 8c, and by adding a subdivision; and 462C.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 462A; repealing Minnesota Statutes 1992, sections 462A.05, subdivision 37; and 462A.32.

Reports the same back with the recommendation that the report from the Committee on Jobs, Energy and Community Development, shown in the Journal for March 15, 1993, be amended to read:

“the bill be amended 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 Transportation and Public Transit, to which was referred

S.F. No. 672: A bill for an act relating to traffic regulations; providing for the traffic offense of failure to maintain control of a vehicle; providing penalty; 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. Chmielewski from the Committee on Transportation and Public Transit, to which was re-referred

S.F. No. 414: A bill for an act relating to transportation; providing procedures for design, approval, and construction of light rail transit; establishing corridor management committee; providing for resolution of disputes; changing membership and responsibilities of the light rail transit joint powers board; amending Minnesota Statutes 1992, sections 174.32, subdivision 2; 473.167, subdivision 1; 473.373, subdivision 4a; 473.399, subdivision 1; 473.3993; 473.3994, subdivisions 2, 3, 4, 5, 7, and by adding subdivisions; 473.3996; 473.3997; 473.3998; 473.4051; proposing coding for new law in Minnesota Statutes, chapter 174; repealing Minnesota Statutes 1992, sections 473.399, subdivisions 2 and 3; 473.3991; 473.3994, subdivision 6; Laws 1991, chapter 291, article 4, section 20.

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 131: A bill for an act relating to motor carriers; restricting authority of regular route common carriers of passengers to depart from their authorized routes; amending Minnesota Statutes 1992, section 221.051.

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

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 796: A bill for an act relating to transportation; exempting public bodies from regulations on all-terrain vehicles; allowing commissioner of transportation to transfer certain real property acquired for highway purposes to former owner through negotiated settlement; providing for bridge inspection frequency and reports; delaying required revision of state transportation plan; authorizing expenditure of rail service maintenance account money for maintenance of rail lines and rights-of-way in the rail bank; providing funding sources for rail bank maintenance account; authorizing sale of certain tax-forfeited land that borders public water in New Scandia township in Washington county, and an exchange of that land for land located in Stillwater township in Washington county between the state of Minnesota and the United States Department of Interior, National Park Service; repealing identification display requirements for highway advertising signs; amending Minnesota Statutes 1992, sections 84.92, subdivision 6; 165.03; 174.03, subdivision 1a; 222.50, subdivision 7; 222.63, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, section 173.14; and Minnesota Rules, part 8810.1300, subpart 6.

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

Page 1, line 32, before "*Section*" insert "*Notwithstanding*" and delete "*to the contrary*"

Page 1, line 33, delete "*notwithstanding,*"

Page 2, line 2, delete "*to the contrary*"

Amend the title as follows:

Page 1, line 2, delete "*transporation*" and insert "*transportation*"

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

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

S.F. No. 122: A bill for an act relating to human services; requiring a minimum funding level for each grantee under the Head Start program which is no less than that of fiscal year 1993; appropriating money; amending Minnesota Statutes 1992, section 268.914, subdivision 1; repealing Minnesota Statutes 1992, section 268.914, subdivision 2.

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

Page 2, delete section 2

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

### SECOND READING OF SENATE BILLS

S.F. Nos. 722, 1107, 528, 557, 497, 566, 372, 672, 414, 131 and 122 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 70 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Johnson, D.J. moved that his name be stricken as a co-author to S.F. No. 220. The motion prevailed.

Mr. Murphy moved that his name be stricken as a co-author to S.F. No. 328. The motion prevailed.

Mr. Murphy moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 359. The motion prevailed.

Mr. Finn moved that his name be stricken as chief author, shown as a co-author, and the name of Ms. Johnson, J.B. be shown as chief author to S.F. No. 788. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Novak be added as a co-author to S.F. No. 788. The motion prevailed.

Mr. Belanger moved that his name be stricken as a co-author to S.F. No. 901. The motion prevailed.

Mr. Metzen moved that the name of Mrs. Pariseau be added as a co-author to S.F. No. 911. The motion prevailed.

Ms. Berglin moved that the name of Mr. Solon be added as a co-author to S.F. No. 968. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Spear be added as a co-author to S.F. No. 1282. The motion prevailed.

Mr. Samuelson moved that the names of Messrs. Solon and Finn be added as co-authors to S.F. No. 1283. The motion prevailed.

Mr. Price moved that the names of Messrs. Lessard and Chandler be added as co-authors to S.F. No. 1287. The motion prevailed.

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

Senate Resolution No. 34: A Senate resolution adopting permanent rules of the Senate.

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

The Permanent Rules of the Senate for the 78th Legislature shall read as follows:

## **PERMANENT RULES OF THE SENATE**

### **PARLIAMENTARY REFERENCE**

1. The rules of parliamentary practice comprised in Mason's Manual of Legislative Procedure shall govern the Senate in all cases in which they are applicable, and in which they are not inconsistent with these rules and orders of the Senate and the joint rules and orders of the Senate and House of Representatives.

### **HOUR OF CONVENING**

2. The Senate shall convene on days of meeting at 2 o'clock p.m. unless the Senate directs otherwise.

### **PRESIDENT**

3. The President shall take the chair at the hour to which the Senate adjourned. He shall immediately call the members to order and, on the appearance of a quorum, shall proceed with the regular order of business. He shall preserve order and decorum, may speak on points of order in preference to members, and shall also decide all questions of order, subject to an appeal to the Senate by a member. An appeal is decided by a majority vote of those present and voting. Upon an appeal from the decision of the President, the question is, "Shall the decision of the President be the judgment of the Senate?"

### **SUBSTITUTES FOR THE PRESIDENT**

4. The President may call a member to preside. In the absence of the President the Chair of the Committee on Rules and Administration, or his designee, shall preside over the Senate. In the absence of the President and the Chair, a member may be selected by the Senate to perform the duties of the President. Substitutions do not extend beyond adjournment.

### **ABSENCE OF MEMBERS**

5. No member or officer of the Senate shall be absent from a session of the Senate unless excused by the Senate.

### **DECORUM DURING BUSINESS**

6. When the President puts a question, or addresses the Senate, no one shall walk out of or cross the Chamber. When a member is speaking, no one shall pass between the member speaking and the President. No member, or other person, shall proceed to or remain by the Secretary's desk while the yeas and nays are being called or counted. No member may speak without using a microphone.

## ORDER OF BUSINESS

7. The order of business is as follows:
  1. Petitions, letters, remonstrances.
  2. Executive and official communications.
  3. Messages from the House of Representatives.
  4. First reading of House bills.
  5. Reports of committees.
    - (a) From standing committees.
    - (b) From select committees.
  6. Second reading of Senate bills.
  7. Second reading of House bills.
  8. Motions and Resolutions.
  9. Calendar.
  10. Consent Calendar.
  11. General Orders.
  12. Introduction and first reading of Senate bills.
  13. Announcements of Senate interest.

Under the order of business of Motions and Resolutions the Senate may by a majority vote of the whole Senate temporarily revert or proceed to any other order of business.

## CALENDAR

8. The Secretary shall make a Calendar of all bills, resolutions and other matters coming before the Senate for final action. He shall place them on the Calendar in the order in which they have been acted upon in Committee of the Whole. The Calendar shall be printed and placed upon the members' desks at least one calendar day before the matters on it are considered.

## CONSENT CALENDAR

9. If a committee determines that a bill it recommends to pass is of a routine nature or otherwise of a nature which likely will not be opposed, it may in its report recommend that the bill be placed on the Consent Calendar. If the report is adopted, the bill shall be printed and placed on the Consent Calendar after its second reading. On the question of adoption of the report the question of accepting the recommendation that the bill be placed on the Consent Calendar may be divided from the question of adopting the report in other respects.

A majority of the whole Senate, or the Chair of the Committee on Rules and Administration, may order a bill on General Orders to be placed on the Consent Calendar.

The Consent Calendar consists of bills placed on it. Senate bills shall be positioned ahead of House bills. The Consent Calendar shall be printed and placed on the members' desks at least one calendar day before the matters on it are considered.

If a member objects to consideration of a bill on the Consent Calendar at any time during its consideration in the Senate before the question on final passage is put, and that objection is supported by at least two other members, the bill shall be referred to the Committee of the Whole, and shall be placed

at the bottom of General Orders subject to Rule 11, except that it need not lie over one calendar day before consideration in the Committee of the Whole.

### SPECIAL ORDER

10. The Chair of the Committee on Rules and Administration may designate a special order for a bill that has been given its second reading.

A special order shall provide that the bill be considered immediately, at a time certain, or after specific other business is completed.

During consideration of a special order, Rule 20 is suspended. As nearly as applicable, debate on the bill and all proceedings including amendments and substitutions shall be that of the Committee of the Whole.

On any question a member may call for the yeas and nays which shall be entered in the Journal.

Unless it is otherwise disposed of, after consideration a bill on Special Orders of the Senate shall immediately proceed to its third reading and final passage.

A bill may not be made a special order if the chief author has declined on three previous occasions to take the bill up after it was designated a special order.

### GENERAL ORDERS

11. The Secretary shall make a list of all bills, resolutions, reports of committees, and other proceedings of the Senate, which are referred to the Committee of the Whole, and which are not made the order of the day, for a particular day, and number them. The lists are called the "General Orders". They shall be taken up in the order in which they are numbered unless otherwise ordered by a majority of the committee.

General Orders, together with all bills included on it required to be printed under the rules or orders of the Senate, shall be printed and placed upon the members' desks at least one calendar day before being considered in Committee of the Whole.

### MOTIONS

12. When a motion is made it shall be stated by the President. If it is in writing it shall be handed to the Secretary and read to the members.

13. A motion or amendment shall be written if the President or a member requests. In that case it must identify the member or committee offering it.

14. After a motion is stated by the President, or read by the Secretary, it is in possession of the Senate, but may be withdrawn by the author at any time before decision or amendment.

### PRECEDENCE OF MOTIONS

15. When a question is under debate no motion shall be received, except:

1. To adjourn.
2. To recess.
3. To reconsider.



4. To lay on the table.
5. For the previous question.

(Motions numbered 1, 2, 4 and 5 above shall be decided without debate.)

6. To refer.
7. To postpone to a day certain.
8. To amend.
9. To postpone indefinitely.

These several motions have precedence in the foregoing order; but when a motion for the previous question has been seconded, or the main question ordered, a motion to lay on the table is not in order.

A motion to postpone to a day certain, to refer, to postpone indefinitely, or to amend, having been decided, shall not again be put on the same day, nor at the same stage of the bill or proposition.

### MOTION TO ADJOURN

16. A motion to adjourn is always in order, and also a motion to adjourn to a time certain. The latter motion is debatable solely as to the time. When either motion is rejected it shall not be renewed until further business has been transacted.

### AMENDMENTS TO RULES AND SUSPENSION OF RULES

17. Every proposition to amend a rule of the Senate shall be referred to the Committee on Rules and Administration. The proposition shall not be acted upon until the report of the committee is received by the Senate. A rule shall not be suspended except by at least two-thirds vote of the whole Senate. A motion to suspend the rules for the purpose of advancing a bill shall be made only under the order of business, "Motions and Resolutions".

### ORDER IN DEBATE

18. When a member is about to speak in debate, or deliver a matter to the Senate, the member shall rise and respectfully address "Mr. (or Madam) President". The member shall not proceed to speak further until recognized by the President. The member shall speak only to the question under debate and avoid personality. In discussing a resolution, each member is limited to ten minutes.

19. When a member is called to order, he shall be silent until it is determined whether or not he is in order. If a member is called to order for words spoken in debate, the words excepted to shall be taken down in writing by the Secretary immediately.

20. No member shall speak more than twice on the same question on the same day without leave of the Senate.

### COMMITTEES NOT TO BE ABSENT

21. Committees shall not be absent from the Senate without permission of the Senate. The names of the members excused shall be printed in the Journal.

### **MEMBERS TO VOTE UNLESS EXCUSED**

22. Every member who is in the Senate Chamber during a roll call shall vote upon the request of another member unless, for special reasons, excused by the Senate.

A motion by a member to be excused from voting shall be made before the question is put. A member wishing to be excused from voting may make a brief statement of the reason for making the request and the question on the motion shall be taken without further debate.

When members have had an opportunity to vote and fail to do so, a majority of all the members of the Senate may, by motion, direct the President to close the roll. The vote on a motion to close the roll shall be taken without debate and no member is required to vote on the motion.

### **CALL OF THE SENATE**

23. A member may impose a call of the Senate requiring the attendance of all members before any further proceedings occur except a motion to adjourn. Upon the imposition of a call, a record of those present shall be obtained upon the request of any member, and the Sergeant at Arms instructed to bring in the absent members. When the Senate has been placed under call, a member may demand that the doors be closed and no member permitted to leave the Chamber until the matter or question, if any, under consideration at the time of the call is disposed of, or until the call is lifted by a majority vote of all the members of the Senate, or until the Senate adjourns. A majority vote of all the members of the Senate may excuse from attendance members not answering the call.

A call cannot be made after voting has commenced.

### **QUESTIONS—HOW STATED AND DECIDED**

24. Questions shall be distinctly put. The President shall declare all votes but if a member rises to question a vote, the President shall order a division.

### **ONLY MEMBERS PRESENT TO VOTE**

25. Upon a division and count of the Senate on a question, only members present in the Senate Chamber shall be counted. No member may vote on a question except at the member's own seat in the Chamber.

### **ANY MEMBER MAY DEMAND YEAS AND NAYS**

26. At any time prior to the start of voting on a question, a member may call for the yeas and nays which shall be entered in the Journal. A call for the yeas and nays cannot be interrupted except as provided in Rule 22.

### **AUTHORIZED ELECTRICAL VOTING DEVICE**

27. Unless otherwise ordered, a vote, except upon elections and upon the overriding of a governor's veto, may be taken by means of the electrical voting system which is under the control of the President.

### CERTIFICATE FOR MONEY

28. No certificate authorizing the payment of money appropriated by the Legislature shall be issued by the Secretary by virtue of a motion or resolution, unless the motion or resolution is voted for by a majority of all members of the Senate upon a call of the yeas and nays.

### THE PREVIOUS QUESTION

29. Unless the motion for the previous question is made specifically applicable to a subsidiary motion, the previous question shall be in this form:

“Shall the main question now be put?” It shall only be admitted when demanded by a majority of the members present, and its effect is to put an end to all debate, and bring the Senate to a direct vote upon amendments reported by a committee, if any, then upon all pending amendments in their order and then upon the main question.

On a motion for the previous question a call of the Senate is in order before the President submits the question to the Senate.

On a previous question there is no debate. All incidental questions of order, arising after a motion is made for the previous question, and pending the motion, shall be decided, whether on appeal or otherwise, without debate.

### DIVISION OF QUESTION

30. A member may call for a division of the question when the question will admit of it. A motion to strike out and insert is indivisible. A motion to strike out being lost does not preclude an amendment nor a motion to strike out and insert.

### RECONSIDERATION

31. When a motion or question has been once put and carried in the affirmative or negative, it is in order for a member who voted with the prevailing side to move for reconsideration on the same day on which the vote was taken or within the next two calendar days or, if later, the first day the Senate meets after the vote was taken. The motion takes precedence over all other questions except a motion to adjourn or recess. When a motion to adjourn is adopted prior to the disposition of the motion for reconsideration, a motion for reconsideration shall lie over until the next succeeding day the Senate meets except as provided in this rule. When notice of intention to move reconsideration of the final action of the Senate on a question is given by a member, the Secretary shall retain the subject of the notice until after the expiration of the time during which the motion can be made.

During the six calendar days before the first Tuesday following the third Saturday in May of any year a notice of intention to move for reconsideration is not in order, but a motion to reconsider may be made and have priority over all other business except a motion to adjourn. A motion for reconsideration having been once voted on shall not be put again nor reconsidered.

### INTRODUCTION OF BILLS

32. Bills, memorials, concurrent or joint resolutions may be introduced by a member or by order of the Senate on a report of a committee. An original

and three copies are required for introduction. The number of authors shall not exceed five. A member or a committee desiring to introduce a bill, memorial or concurrent or joint resolution shall place it in the hands of the Secretary, and the Secretary shall promptly deliver all the bills, memorials or concurrent or joint resolutions to the President who shall present them to the Senate.

The name of the author or authors shall be prefixed to each bill, memorial or resolution and the name of a committee introducing a bill, memorial or resolution shall be endorsed on it.

### RECESS BILL INTRODUCTIONS

33. During the period between the last day of the session in any odd-numbered year and the first day of the session in the following year, a bill filed with the Secretary for introduction shall be given a file number and may be unofficially referred by the President, with the approval of the Chair of the Committee on Rules and Administration, to an appropriate standing committee of the Senate. All bills filed for introduction during this period shall be presented to the Senate when it reconvenes and shall be referred to the standing committees previously indicated by the President, subject to objection under Rule 35.

### REPORTING OF BILLS

34. Every bill, memorial, order, resolution or vote requiring the approval of the Governor shall be reported to the Senate on three different days previous to its passage. The first report, called the first reading, is made when it has been received for introduction; the second report, called the second reading, is made when it has been considered by all the necessary standing committees and is ready for debate; the third report, called the third reading, is made when it is ready for final passage.

### REFERRING OF BILLS

35. All bills shall be referred by the President without motion to the proper standing committee unless otherwise referred by the Senate. A bill introduced by a committee need not be referred to a standing committee unless a question arises but rather shall lie over one day before being given its second reading. When a question arises concerning the proper reference of a bill during the order of business of first reading on the day of introduction or at the time of report on it by a standing committee to which the bill was previously referred, the bill shall be referred without debate to the Committee on Rules and Administration to report the proper reference, and upon adoption of the report of the Committee on Rules and Administration, it shall be referred accordingly.

All bills appropriating money, or obligating the state to pay or expend money, or establishing a policy which to be effective will require expenditure of money, when referred to and reported by any other than the Committee on Finance, shall, before passage, be referred to the Committee on Finance.

All bills delegating emergency rulemaking to a department or agency of state government and all bills exempting a department or agency of state government from rulemaking, when referred to and reported by any other than the Committee on Governmental Operations, shall, before passage, be referred to the Committee on Governmental Operations.

*Upon request of the chair of a finance division of a policy committee, the chair of the policy committee shall refer a bill in that committee to the division.*

36. No bill or resolution shall be referred to committee or amended until it has been given its first reading. No bill or resolution shall be objected to on its introduction.

#### AMENDMENTS TO BE GERMANE

37. An amendment proposed to the Senate or to the Committee of the Whole that is not germane is out of order. A non-germane amendment includes one that relates to a substantially different subject, or is intended to accomplish a substantially different purpose than that of the original bill to which it is proposed. Whether an amendment is germane is a question to be decided by the President, who may put the question to the body if he chooses.

*A motion to remove an amendment placed on a House bill under Rule 49 is out of order if removal of the amendment would make a portion of the House bill not germane to the Senate companion for which it was substituted.*

#### AMENDMENTS TO BILLS

38. In drawing an amendment to a bill or resolution reference shall be made therein, first to the number of the bill, then to the page, and then to the line or lines from which matter is to be stricken or in which new matter is to be inserted.

#### AMENDMENTS TO TITLE

39. The title to a bill may be amended at any time during its pendency in the Senate.

#### RECALL FROM COMMITTEE

40. With the concurrence of the first author of the bill, before the deadline for committee action on the bill a majority of the Senate and after the deadline for committee action on the bill 60 percent of the Senate may recall a bill from any committee and re-refer it to any other committee or place it on General Orders. With the concurrence of the first author of the bill, a majority of the Senate may at any time take a bill from the table and place it on General Orders.

By a report of the Committee on Rules and Administration adopted by the Senate, the Committee on Rules and Administration, on request of the first author, may remove a bill from committee and re-refer it to any other committee or place it on General Orders.

#### DISTRIBUTION AND PRINTING OF BILLS

41. To the extent practical the Secretary shall provide a copy of any bill to the public. He may charge a reasonable fee.

Unless otherwise ordered by the Senate, all Senate bills which have been reported upon favorably or without recommendation by a committee shall be printed prior to consideration by the Senate or the Committee of the Whole. A House bill amended by the Senate must be unofficially engrossed and

printed when placed on General Orders. A bill may be printed by order of the Secretary when amended after second reading. A bill shall be printed when ordered by a majority vote of the Senate. Action by the Senate on a bill which has not been printed is a waiver of the printing requirement.

### COMMITTEE OF THE WHOLE

42. All bills, memorials, orders, resolutions and votes requiring the approval of the Governor shall, after a second reading, be considered in Committee of the Whole before they are finally acted upon by the Senate, except as provided for in Rules 9 and 10.

43. The President may call a member to the Chair when the Senate resolves itself into the Committee of the Whole. The rules observed in the Senate govern, as far as practicable, the proceedings of the Committee of the Whole, and the Chair of the Committee of the Whole has the powers of the President, as appropriate. However, a member may speak more than twice on the same subject and a call for the previous question cannot be made. The yeas and nays shall be taken only upon the request of three members, and when taken shall be recorded in the Journal along with the amendment; provided, however, that a member may, with the approval of the Chair of the Committee on Rules and Administration, submit a description of the amendment for printing. In those cases the Secretary shall retain in the minutes of the Committee of the Whole the full text of the amendment.

44. The recommendations of the Committee of the Whole shall be reported to the Senate. If a recommendation contains a proposed amendment of a bill, that amendment shall be noted on a separate piece of paper but when reported need not be read by the President unless required by one or more of the members. The question is on the adoption or rejection of the report, and no other question shall be admitted. The question may be divided to permit separate Senate action on the report as to any bill. On adoption of the report of the Committee of the Whole all bills recommended to pass shall be placed upon the Calendar.

### AMENDMENT ON THIRD READING

45. No amendment is in order on third reading without the unanimous consent of the Senate unless it fills a blank, amends the title as provided by Rule 39, is proposed to the chief author of the bill by the Revisor of Statutes to correct technical defects found by the Revisor while engrossing earlier amendments to the bill, or is proposed to a bill on the Consent Calendar before the bill is given its third reading.

In filling blanks, the largest sum, the longest time and the greatest distance shall be first taken.

### MOTION TO REFER

46. A bill or resolution may be referred to committee at any time prior to its passage, and if an amendment is reported on the referral to any other than the Committee of the Whole, it shall again be read the second time, considered in Committee of the Whole, read the third time and placed on final passage. If the referral is to the Committee of the Whole it shall be placed at the head of General Orders, except when the referral is under Rule 9.

### FINAL PASSAGE

47. The final question upon a bill or other matter requiring action by both Houses after its first and second reading, and after the consideration in Committee of the Whole, is upon its final passage.

### TRANSMITTING OF BILLS TO THE HOUSE

48. Except as provided in Rule 31, immediately after the passage of a bill or other matter in which the concurrence of the House of Representatives is requested, the Secretary shall transmit it to the House. On the concurrence of a bill or other matter of the House by the Senate, or on the concurrence or disagreement in a vote of the House, the Secretary shall notify the House.

### COMPARISON AND SUBSTITUTION OF BILLS

49. Unless there is a motion by the Chair of the Committee on Rules and Administration or objection under Rule 35, a House bill, after its first reading, shall be referred as follows:

(a) If there is no Senate companion bill, the House bill shall be referred to the appropriate standing committee;

(b) If there is a Senate companion bill, the House bill shall be referred to the standing committee possessing the Senate companion;

(c) If the Senate companion bill has been reported to the Senate, the House bill shall be referred to the Committee on Rules and Administration, which shall report whether the House bill is identical to the Senate companion bill. If the bills are identical, the report shall recommend that the House bill be given its second reading and substituted for the Senate companion bill and the Senate companion bill be indefinitely postponed. If the House bill is not identical to the Senate companion bill, the report of the committee shall so state and recommend an amendment to the House bill that when adopted will render the House bill identical to the Senate bill. Upon adoption of a committee report containing the proposed amendment, the House bill as amended shall be given its second reading and substituted for the Senate companion bill and the Senate companion bill shall be indefinitely postponed.

Reports of the Committee on Rules and Administration pursuant to this rule shall be prepared and submitted on behalf of the committee by the Secretary.

A House bill placed on the Calendar by substitution shall not be given its third reading on the same day as the substitution.

### ENGROSSING AND ENROLLING OF BILLS

50. All engrossing and enrolling of bills shall be done at the direction and under authority of the Senate.

Every bill, memorial, order or resolution originating in the Senate shall be carefully engrossed before being transmitted to the House of Representatives for concurrence.

All bills shall be carefully enrolled under the supervision of the Committee on Rules and Administration, which may report to the Senate at any time on the enrollment of bills.

### DISPOSITION OF BILLS ON ADJOURNMENT

51. Adjournment of the regular session in an odd-numbered year to a date certain in the following year shall be equivalent to daily adjournment, except that a bill on the Calendar, Consent Calendar, or General Orders shall be returned to the standing committee other than the Committee on Rules and Administration from which it was last reported to the Senate, unless otherwise provided for by motion prior to adjournment. Bills returned to committee pursuant to this rule shall, upon request of the author, be given priority for consideration by the committee ahead of all other bills in the order in which they appeared on the Calendar, Consent Calendar, or General Orders.

### PETITIONS AND OTHER COMMUNICATIONS

52. In presenting a petition, memorial, remonstrance or other communication addressed to the Senate, a member shall only state the general purpose of it.

Every petition, memorial, remonstrance, resolution, bill and report of committee, shall have an appropriate title, and the name of the member presenting it written on it.

### RESOLUTIONS

53. Memorial resolutions addressed to the President or the Congress of the United States, or a house or member of Congress, or a department or officer of the United States; or a state or foreign government, joint resolutions, and resolutions requiring the signature of the Governor shall follow the same procedure as bills before being adopted.

Upon a member giving notice of intention to debate a resolution not required to follow the same procedure as bills and not offered by the Committee on Rules and Administration, the resolution shall lie over one calendar day without debate or other action. Upon the request of a member, the resolution shall be referred to the proper committee. Whenever a question arises concerning the proper reference the procedure provided by Rule 35 applies.

### CONFIRMATIONS

54. Every gubernatorial appointment requiring the advice and consent of the Senate shall be referred by the President to the appropriate committee. If a question arises as to the proper committee, the appointment shall be referred without debate to the Committee on Rules and Administration for a report making the proper reference.

The final question on the appointment is, "Will the Senate, having given its advice, now consent to this appointment?" The question shall not be put the same day the appointment is received or on the day it is reported by committee unless by unanimous consent.

### SIGNING OF ACTS, RESOLUTIONS

55. In addition to his duties under Rule 3, the President shall sign all acts, memorials, addresses and resolutions. All writs, warrants and subpoenas issued by the Senate shall be signed by the President and attested by the Secretary. Upon a finding by the Committee on Rules and Administration that



the President refuses or is unable to sign any of the documents described in this rule, the Chair of the Committee on Rules and Administration, or some other member selected by the committee shall assume the duties of the President under this rule until the President is able to sign the documents described or until the Senate elects a new President, whichever occurs first.

### APPOINTMENT OF COMMITTEES

56. The majority and minority shall each be represented on all standing committees of the Senate substantially in proportion to their numbers in the Senate. The majority group shall assign the number of positions the minority group will hold on each committee. The minority group shall be given adequate notice about its positions prior to the commencement of the session. Both the majority and minority groups shall appoint their own members to fill the number of positions each group will hold on each committee. The minority group shall transmit notice of its assignments to the majority group within ten calendar days after receipt of the notice of positions available. *The minority group may designate a ranking member for each committee.* If the minority group for any reason fails to make its appointments pursuant to this rule, the majority group may make all the committee assignments.

The majority and minority committee assignments are subject to the uniform criteria governing committee assignments applicable to both the majority and minority. The uniform criteria shall be promulgated by the majority group and transmitted to the minority group together with notification of committee positions available to the minority.

Committee assignments as made by the majority and minority groups shall be followed by the Senate in the resolution establishing representation on all Senate standing committees.

After the organization of the Senate, all committees of the Senate and members of commissions to be appointed by the Senate authorized by rule, statute, resolution or otherwise, shall be appointed by the Subcommittee on Committees of the Committee on Rules and Administration, unless otherwise provided, subject to confirmation by the Senate. In the appointment of members of conference committees between the two houses, the Subcommittee on Committees of the Committee on Rules and Administration of the Senate shall appoint those who are in accord with the position of the Senate, and whenever practical, give preference to authors of bills in dispute and to members of standing committees in which the bills were considered.

### STANDING COMMITTEES

57. The standing committees of the Senate are as follows:

Agriculture and Rural Development

Commerce and Consumer Protection

Crime Prevention

Education

Environment and Natural Resources

Ethics and Campaign Reform

Family Services

Finance

Gaming Regulation

Governmental Operations and Reform

Health Care

Jobs, Energy and Community Development

Judiciary

Metropolitan and Local Government

Rules and Administration

Taxes and Tax Laws

Transportation and Public Transit

Veterans and General Legislation

The Committee on Rules and Administration may constitute a standing Subcommittee on Committees, the report of which within its jurisdiction has the effect of a report of the main Committee on Rules and Administration. The subcommittee shall consist of five members, one of whom shall be a member of the minority group.

Each standing committee of the Senate, including a subcommittee of the committee, is authorized at any time to sit and act, to investigate and take testimony on any matter within its jurisdiction, to report hearings held by it, and to make expenditures as authorized from time to time by the standing Committee on Rules and Administration. A standing committee, but not a subcommittee, may require by subpoena or otherwise the attendance and testimony of witnesses and the production of correspondence, books, papers, and documents, in the manner provided by Minnesota Statutes, Section 3.153.

### COMMITTEE MEETINGS

58. All meetings of the Senate, its committees, committee divisions, and subcommittees are open to the public. A meeting of a caucus of the members of any of those bodies from the same political party need not be open to the public. Notwithstanding Minnesota Statutes, section 3.055, a caucus of the Hennepin county, Ramsey county, or St. Louis county delegation is open to the public. For purposes of this rule, a meeting occurs when a quorum is present and action is taken regarding a matter within the jurisdiction of the body.

To the extent practical, meetings of all committees shall be announced to the public at least three calendar days prior to convening. The notice shall state the name of the committee, the bill or bills to be considered, the place and time of meeting. The notice shall be posted on all Senate bulletin boards in the Capitol and the State Office Building. A notice shall be sent to the House of Representatives for posting as it deems necessary.

### QUORUM IN COMMITTEE

59. A majority of its members constitutes a quorum of a committee.

### REPORT OF VOTE IN COMMITTEE

60. Upon the request of a member of a committee or subcommittee to which a bill has been referred, or upon the request of the author of the bill, a record shall be made of the vote on the bill in the committee or subcommittee, including the vote on any amendment or proposed amendment to it, in the committee or subcommittee to which the bill was referred.

Upon request of three members of the committee before the vote is taken, the record of a roll call vote in a standing committee shall accompany the committee report and be printed in the Journal.

### COMMITTEE ACTION

61. No report of any committee shall be made to the Senate unless it reports action taken at a regular or special meeting of the committee. A report in violation of this rule is out of order.

### EMPLOYEES AUTHORIZED IN THE SENATE

62. The Committee on Rules and Administration shall establish positions, set compensation, appoint employees, and authorize expense reimbursement for employees as it deems proper to carry out the work of the Senate. At the request of any committee member, an action of the committee shall be submitted as a Senate resolution for adoption by the Senate. A roster of all employees of the Senate, including positions and compensation, shall be kept by the Secretary and shall be open for inspection by the public. The Secretary shall post, in a public place in the Capitol, a notice of every vacant position on the permanent staff of the Senate. The notice must remain posted for at least two weeks, and no vacancy may be filled until the period of posting has elapsed.

### BUDGET AND EXPENDITURES

63. The Committee on Rules and Administration shall adopt an operating budget for the Senate and refer it to the Committee on Finance.

All propositions for the appointment and payment of employees of the Senate or for expenditures on account of the Legislature, other than those provided by law, shall be referred to the Committee on Rules and Administration without debate.

### AUTHORITY OVER EMPLOYEES

64. Except as otherwise provided in these rules, the Committee on Rules and Administration has full and exclusive authority over, and charge of all employees, officers and clerks of the Senate both elective and appointive. The committee has the sole and exclusive power and authority to assign them to duties other than for which they were elected or appointed as the committee may from time to time provide. The committee has power to appoint employees, officers or clerks as it deems proper to exercise the power granted to it by this rule. The committee may make rules and regulations for the government of the employees, officers and clerks as they see fit. In case of violation of an order of the committee by an employee, officer or clerk, or in case of a violation of a rule or regulation made by the committee, or in case of misconduct or omission by an employee, officer or clerk, the Committee on

Rules and Administration may hear complaints and discharge the employee, officer or clerk or impose other punishment by way of fine or otherwise upon the employee, officer or clerk as the committee deems just and proper.

### DUTIES OF SECRETARY

65. The Secretary shall keep a correct Journal of the proceedings of the Senate and shall perform other duties assigned to him as Secretary. He shall not permit Journal records, accounts or papers to be taken from the table or out of his custody, other than in the regular mode of business. If a paper in his charge is missing, he shall report the fact to the President, so that inquiry may be made. He shall superintend the recording of proceedings in the Journal, the engrossing, transcribing and copying of the bills and resolutions, supervise the assistants, clerks and stenographers under the direction of the Committee on Rules and Administration, and generally perform the duties of Secretary, under direction of the President. The Secretary shall keep a record of all Senate and House bills showing the state, condition, and progress of each bill pending, until its final passage.

The Secretary shall cause to be recorded on magnetic tape the proceedings of the Senate, the Committee of the Whole, each standing committee and standing subcommittee. Each tape shall be clearly labeled to show the name of the body whose proceedings are recorded and the dates the proceedings occurred. Each tape shall be accompanied by a log showing the number of each bill considered and the places on the tape where consideration of the bill occurred. Within two working days after each day the Senate is in session the Secretary shall make a copy of the tape and corresponding log of proceedings of the Senate and the Committee of the Whole and deliver the copies to the Legislative Reference Library. Within one week after each meeting of a standing committee or standing subcommittee the Secretary shall make a copy of the tape and corresponding log of the meeting and deliver the copies to the Legislative Reference Library. Upon completion and approval of the minutes of the meeting, a copy of the minutes shall be promptly delivered to the Legislative Reference Library. The Secretary shall keep a record of each session of the Senate and the Committee of the Whole, each meeting of a Senate standing committee or standing subcommittee, and the date on which a tape recording of the session or meeting was transmitted to the Legislative Reference Library. The Library shall keep a similar record of all tapes received. The Library shall provide committee staff with reasonable access to Senate tapes and shall provide the public with convenient facilities to listen to the tapes. Copies of Senate tapes shall be available to the public from the Secretary, for a fee determined by the Secretary to be adequate to cover the cost of preparing the copies. A copy shall be provided free to a member of the Senate upon request for use in legislative business. The original tape and log of each session of the Senate and the Committee of the Whole shall be kept by the Secretary until the end of the period for which the members of the existing House of Representatives have been elected, at which time the tape may be preserved or disposed of as he sees fit. Tapes, logs, and minutes forwarded to the Legislative Reference Library shall be kept by the Library until two years after the end of the period for which the members of the existing Senate have been elected, at which time they may be preserved or disposed of as the Library sees fit. It is the intention that testimony and discussion preserved under this rule not be admissible in any court or administrative proceeding on an issue of legislative intent.

### JOURNAL—HOW APPROVED

66. The Journal of each day's proceedings is open for correction at any time during the session of the next day the Senate meets. Unless corrected on that day, the Journal stands approved.

### SECRETARY MAY CORRECT ERRORS

67. The Secretary of the Senate and Engrossing Secretary, in all proper cases, shall correct all mistakes in numbering the sections and reference to them, whether the errors occur in the original bill or are caused by amendments to it.

### PURCHASING SUPPLIES

68. The Secretary is the agent of the Senate for the purchase of supplies. The Secretary's records on purchase of supplies are open for inspection during normal business hours.

### DUTIES OF THE SERGEANT AT ARMS

69. The Sergeant at Arms shall execute all orders of the President and perform all duties assigned to him connected with the police and good order of the Senate Chamber; exercise supervision over the entry and exit of all persons to and from the Chamber; see that messages are promptly delivered; see that the hall is properly ventilated and the temperature properly regulated, and that it is open for the use of members of the Senate at the time fixed; and perform all other services pertaining to his office.

### PERSONS PRIVILEGED TO THE FLOOR OF THE SENATE

70. No person shall be admitted within the Senate Chamber, but a member, an officer, the constitutional officers, ex-Governors of the State of Minnesota, members of the House, judges of the trial and appellate courts and members of Congress. Those who have been members of Congress or of the state Legislature who are not interested in any claim or directly in a bill pending before the Legislature may be personally admitted by a member of the Senate. An employee of either house may be admitted at the request of a member or an officer of the Senate. The head of a department of state government may be admitted by the President. When a member-elect is sworn in, the member-elect may request that one guest be admitted. When the Senate is not meeting, a person not a member may be admitted to the floor at the request of a member or officer. No public hearings shall be held in the Senate Chamber. The retiring room of the Senate is reserved for the exclusive use of the members of the Senate at all times. The Sergeant at Arms shall strictly enforce this rule.

### PRIVILEGE OF REPORTERS

71. Provision shall be made for news reporters on the Senate floor in limited numbers, and in the Senate gallery. Because of limited space on the floor, permanent space is limited to those news agencies which have regularly covered the legislature, namely: The Associated Press, United Press International, St. Paul Pioneer Press Dispatch, Star Tribune, Duluth News-Tribune and Herald, Rochester Post-Bulletin, St. Cloud Daily Times, WCCO radio,

KSTP radio, and Minnesota Public Radio. An additional two spaces shall be provided to other reporters if space is available.

One person from each named agency and one person from the Senate Publications Office may be present at the press table on the Senate floor at any one time.

Other news media personnel may occupy seats provided in the Senate gallery.

The Committee on Rules and Administration may, through committee action or by delegating authority to the Secretary, allow television filming on the Senate floor on certain occasions.

The committee or its agent may designate a committee of three senior news correspondents to act as an issuing agency for reporters' badges or other credentials.

### DISORDERLY CONDUCT

72. In case of a disturbance or disorderly conduct in the lobbies or galleries, the President may order them cleared. Picture taking by persons other than accredited news reporters, picture taking with floodlights or flash units, hand clapping, demonstrations, and food and beverages, are prohibited in the Senate Chamber and in the galleries.

### INTRODUCTION OF VISITORS

73. No introduction of a visitor or visitors in the galleries shall be made from the floor or rostrum of the Senate.

### SMOKING

74. No person is permitted to smoke in the Senate Chamber, Retiring Room, hearing rooms, or public other spaces under the control of the Senate. There shall be no smoking in the visitors section of the galleries.

### ETHICAL CONDUCT

75. The Subcommittee on Committees shall appoint a special committee on Ethical Conduct consisting of four members, two from the majority and two from the minority.

The committee shall serve in an advisory capacity to a member or employee upon written request and shall issue recommendations to the member or employee.

A lobbyist shall not appear before a Senate committee pursuant to his employment unless he is in compliance with the law requiring lobbyist registration, Minnesota Statutes, Sections 10A.03 to 10A.06. A lobbyist when appearing before a committee shall disclose to the committee those in whose interest he speaks and the purpose of his appearance. A lobbyist shall not knowingly furnish false or misleading information or make a false or misleading statement that is relevant and material to a matter before the Senate or any of its committees when he knows or should know it will influence the judgment or action of the Senate or any of its committees thereon. A lobbyist

shall not exert undue influence or expend improper sums of money in connection with any legislation.

The committee shall investigate a complaint by a member of the Senate in writing under oath received during a legislative session regarding improper conduct by a member or employee of the Senate or a lobbyist. The committee has the powers of a standing committee to issue subpoenas pursuant to Minnesota Statutes, Section 3.153. In order to determine whether there is probable cause to believe that improper conduct has occurred, the committee may, by a vote of three of its members, conduct a preliminary inquiry in executive session to which the requirements of Rule 58 do not apply. Upon a finding of probable cause, further proceedings on the complaint are open to the public. If, after investigation, the committee finds the complaint substantiated by the evidence, it shall recommend to the Senate appropriate disciplinary action.

Any person may submit to the Chair of the Committee on Rules and Administration a complaint that members have violated the open meeting requirements of Minnesota Statutes, section 3.055. A member of the Senate may submit the complaint either orally or in writing; others must submit the complaint in writing. Whether the complaint was written or oral, the Chair of the Committee on Rules and Administration shall immediately forward it in writing to the Special Committee on Ethical Conduct without disclosing the identity of the complainant. The complaint must not be further disclosed, except to the members against whom the complaint was made, unless the complaint was made by a member of the Senate in writing under oath, in which case the investigatory procedures of this rule apply.

Mr. Luther moved that the foregoing resolution be laid on the table and printed in the Journal. The motion prevailed.

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

Senate Concurrent Resolution No. 4: A Senate concurrent resolution adopting permanent joint rules of the Senate and House of Representatives.

BE IT RESOLVED, by the Senate of the State of Minnesota, the House of Representatives concurring:

The Permanent Joint Rules of the Senate and House of Representatives for the 78th Legislature shall read as follows:

## **JOINT RULES OF THE SENATE AND HOUSE OF REPRESENTATIVES**

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### ARTICLE I: JOINT CONVENTIONS

#### HOW GOVERNED

Rule 1.01. The Speaker of the House shall preside at all Conventions of the two houses of the Legislature and shall call the members to order. The Chief Clerk of the House shall be the Secretary and the Sergeant at Arms of the House shall be the Sergeant at Arms of the Convention.

#### PRESIDENT'S DUTIES

Rule 1.02. The President of the Convention shall preserve order and decorum. ~~He~~ *The President* may speak on all points of order in preference to other members and shall decide questions of order, subject to an appeal to the Convention by any member. ~~He~~ *The President* shall rise to put a question but may state it while seated.



### PRESIDENT'S RIGHT TO VOTE

Rule 1.03. The President shall have the right to vote in all cases except appeals from ~~his~~ *the President's* decisions. ~~He~~ *The President* shall vote last on all questions.

### STATING QUESTIONS

Rule 1.04. Questions shall be put to the Convention in the following form: "As many as are of the opinion that (the question) shall pass, say 'Aye.'" After an affirmative vote is expressed the nays shall be called as follows: "As many as are of the contrary opinion, say 'No.'" If the President is in doubt or a division is called, those in the affirmative shall rise first and those in the negative afterward.

### ORDER OF DEBATE

Rule 1.05. When any member wishes to speak to the Convention on any matter, ~~he~~ *the member* shall rise and respectfully address the President, and not speak further until recognized. ~~He~~ *The member* shall ~~confine himself~~ *only* to the question under debate and avoid personal remarks. When two or more members rise at the same time, the President shall designate the member to speak first. No member shall speak more than twice on the same question without permission of the Convention.

### CALLING MEMBER TO ORDER

Rule 1.06. If any member of the Joint Convention is called to order for offensive words in debate, the member calling ~~him~~ to order shall report the words to which exception is taken and the Secretary shall record them. No member may be called to order for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place. A member called to order shall immediately sit down unless another member moves to permit ~~him~~ *the member* to explain. In any case, the Joint Convention, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall ~~he~~ *the member* be at liberty to proceed.

### CALL OF THE CONVENTION

Rule 1.07. Five members may demand a call of the Convention at any time except after voting has commenced. When such a call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave the Chamber, unless excused by the President, until the call is lifted. Proceedings under the roll call may be suspended by a majority vote of all the members of the Convention. A call of the Convention may be lifted by a majority vote of all the members of the Convention.

### ELECTIONS

Rule 1.08. In all elections by the Joint Convention, members shall vote viva voce and the roll of Senate members shall be called first. Whenever there is an election of any officer in Joint Convention, the result shall be certified by the President of the Senate and the Speaker of the House and announced by them to their respective houses. The result shall be entered on the Journal of

each house and communicated to the Governor by the Secretary of the Convention.

### NO SMOKING

Rule 1.09. No person is permitted to smoke in the Chamber or in the gallery during a Joint Convention.

### PARLIAMENTARY PROCEDURE

Rule 1.10. The rules of the House shall be the Rules of the Joint Convention of both houses in all cases in which the foregoing rules are not applicable.

### ARTICLE II: BILLS

#### FORM

Rule 2.01. The title of each bill shall clearly state its subject and briefly state its purpose. When a bill amends or repeals an existing act, the title shall refer to the chapter, section or subdivision.

Reference shall be made to Minnesota Statutes for the provisions appearing therein unless reference to previous session laws is required for some special reason.

Bills shall refer to Minnesota Statutes as follows:

“Minnesota Statutes ....., section .....”

Bills shall refer to the session laws as follows:

“Laws ....., chapter ....., section .....”

A bill for the amendment of a statute shall contain the full text of the section or subdivision to be amended as it appears in the latest edition of Minnesota Statutes unless it has been amended, in which event it shall contain the full text as amended.

The words and characters constituting the amending matter shall be inserted in the proper place in the text and underscored. The words and characters to be eliminated by the amendment shall be stricken by drawing a line through them. The text of a new section or subdivision shall also be underscored when a bill amends an existing chapter or section by adding a new section or subdivision. In the omnibus appropriation bills required by Joint Rule 2.02, sections making an appropriation or transfer and not amending a statute or session law need not have new material underscored. *A bill that repeals a statute may include or be accompanied by an appendix containing the full text of the section or subdivision repealed.* Before a committee favorably reports upon a bill, the chairman of the committee shall see that the bill conforms to this rule. When a bill is printed in the Journal, the new matter shall be in italics or underscored and the matter to be eliminated shall be capitalized and in parentheses or stricken by drawing a line through it. A bill drafted by the Revisor of Statutes for the purposes of correcting errors in Minnesota Statutes need not comply with the provisions of this paragraph if the bill is labeled “REVISOR’S BILL” immediately below the title, and if there is attached thereto a memorandum of information explaining the reasons for the bill.

If the bill is for an original law and not for an amendment of an existing law, the sections and subdivisions shall be arranged, subdivided, and numbered in like manner as Minnesota Statutes. If such a bill assigns to the sections thereof headnotes or identification by the decimal system of numbering used in Minnesota Statutes, such headnotes and decimal identification may be submitted by standing committee chairmen to the Revisor of Statutes for examination. Any such headnotes shall be capital letters enclosed in brackets, and shall be subject to the provisions of Minnesota Statutes, section 648.36.

All numbers in titles shall be expressed in figures. All numbers of section or chapter of law shall be in figures. In the body of a bill numbers in excess of ten shall be in figures, except for a special reason they may be written, but when written they shall not be followed by numbers or parentheses.

*A bill may include or be accompanied by a table of contents.*

### APPROPRIATING MONEY

Rule 2.02. The same bill shall not appropriate public money or property to more than one local or private purpose.

No clause appropriating money for a local or private purpose shall be contained in a bill appropriating money for the State government or public institutions. All resolutions authorizing the issuing of abstracts by the Secretary of the Senate or the Chief Clerk of the House for the payment of money shall be upon the call of "yeas" and "nays."

In odd-numbered years, at least eighteen calendar days prior to the last day the Legislature can meet in regular session [Thursday, April 29, 1993], the Committee on Finance of the Senate and the Committee on Ways and Means of the House shall report to their respective houses, unless directed by concurrent resolution to report different appropriation bills, appropriation bills for the two succeeding fiscal years as follows:

(a) A bill appropriating money for the general administrative and judicial expenses of the State government, including salaries, office expenses and supplies and other necessary expenses connected therewith;

(b) A bill covering appropriations relating to health and human services;

(c) A bill appropriating money for the support and maintenance of State educational institutions;

(d) A bill appropriating money for aid to school districts;

(e) A bill appropriating money for the protection and improvement of the State's environment and natural resources;

(f) A bill appropriating money for the department of transportation and other agencies;

(g) A bill appropriating money for criminal justice;

(h) A bill appropriating money for community development;

(i) A bill covering all appropriations providing for the payment of claims against the State of Minnesota which may have been allowed by the Finance Committee of the Senate or the Ways and Means Committee of the House.

No other appropriations shall be contained in any of said bills but all other appropriations shall be contained in separate bills.

### DEADLINES

Rule 2.03. (a) Except as provided in paragraph (b), in odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after the sixth Friday before the last Friday the Legislature can meet in regular session [April 2, 1993], and committee reports on bills originating in the other house favorably acted upon by a committee after the fourth Friday before the last Friday the Legislature can meet in regular session [April 16, 1993], 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 rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Ways and Means and on Taxes.*

(b) Committee reports on bills containing an appropriation that are favorably acted upon by a *the policy committee* in either house *that is or includes the finance division with final jurisdiction over the appropriation after the deadlines in paragraph (a) but no later than* the third Friday before the last Friday the Legislature can meet in regular session [April 23, 1993], ~~shall need not~~ be referred in the Senate to the Committee on Rules and Administration, and *or* in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. ~~This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Ways and Means and on Taxes.~~

(c) Conference committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [May 13, 1993]. After the last Friday on which the Legislature can meet in regular session [May 14, 1993], 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.

(d) In even-numbered years the Legislature shall establish by concurrent resolution deadlines based on the date intended to be the date of adjournment sine die.

### AMENDING BILLS ORIGINATING IN OTHER HOUSE

Rule 2.04. Either house shall have the power to amend any bill, memorial, or resolution passed by the other house.

### RECEDING FROM POSITION

Rule 2.05. Prior to a Conference Committee on any matter, either house may recede from its position on any difference existing between the two houses. In order to recede, and if the matter is not in the possession of a house, that house shall request return of the matter from the other house. To recede, a majority of a house shall govern, except in cases otherwise provided in the Constitution. If the question is put and lost, it shall not be put again on the same day. A reconsideration of the question shall in all respects be regulated by the rules of that house.

### CONFERENCE COMMITTEES

Rule 2.06. In all cases of disagreement between the Senate and House on amendments adopted by either house to a bill, memorial or resolution passed by the other house, a Conference Committee consisting of not less than three members nor more than five members from each house may be requested by either house. The other house shall appoint a similar committee.

The manner of procedure shall be as follows: The house of origin passes a bill and transmits it to the other body. If the other body adopts an amendment to the bill and passes it as amended, it shall return the bill with a record of its actions to the house of origin. If the house of origin refuses to concur in the amendment, it shall ask for a Conference Committee, appoint such a committee on its part, and transmit the bill with a record of its action to the other house. If the other house adheres to its amendment, it shall appoint a like committee and return the bill to the house of origin.

All Conference Committees shall be open to the public. As much as practical, meetings of Conference Committees shall be announced as far in advance as possible and actions taken shall be agreed upon in an open meeting. At an agreed upon hour the Committee shall meet. *Except after the last Friday on which the Legislature can meet in regular session in odd-numbered years [May 14, 1993], and after the last Friday on which the Legislature intended, when it adopted the concurrent resolution required by Rule 2.03, paragraph (b), to meet in regular session in even-numbered years, a ten-member Conference Committee shall not meet when either the House or the Senate is meeting.* The members from each house shall state to the members from the other house, orally or in writing, the reason for their respective positions. The members shall confer thereon and shall report to their respective houses the agreement they have reached, or, if none, the fact of a disagreement.

If an agreement is reported, the house of origin shall act first upon the report. A Conference Committee report must be limited to provisions that are germane to the bill and amendments that were referred to the Conference Committee. A provision is not germane if it relates to a substantially different subject or is intended to accomplish a substantially different purpose from that of the bill and amendment that were referred to the Conference Committee. If the report is adopted and repassed as amended by the Conference Committee by the house of origin, the report, the bill and a record of its action shall be transmitted to the other house.

Except after the last Thursday on which the Legislature can meet in regular session in odd-numbered years [May 13, 1993], and after the last Thursday on which the Legislature intended, when it adopted the concurrent resolution

required by Rule 2.03, paragraph (b), to meet in regular session in even-numbered years, a written copy of a report of a Conference Committee shall be placed on the desk of each member of a house twelve hours before action on the report by that house. If the report has been reprinted in the Journal of either house for a preceding day and is available to the members, the Journal copy shall serve as the written report. The member presenting the Conference Committee report to the body shall disclose, either in writing or orally, the substantial changes from the bill or the amendment as they were last before the body.

### ENROLLMENT AND SIGNATURE

Rule 2.07. After a bill or memorial has been passed by both houses, it shall be carefully and properly enrolled by the Revisor of Statutes under the direction of the Secretary of the Senate for a matter originating in the Senate or the Chief Clerk of the House for a matter originating in the House. The Revisor of Statutes shall obtain the signatures and certificates of the proper officers to the enrolled copy of the bill or memorial and present it to the Governor for his approval.

A bill or memorial may be prepared for presentation to the Governor on good quality paper approximately 8 1/2" x 14" in size and may be produced by means of a copying machine. An enrolled bill shall be labeled "An Act" and it shall be identical to the bill passed by the Legislature. An enrolled bill which is amendatory of any existing law or constitutional provision shall indicate deletions and additions in the manner provided in Rule 2.01 for printed bills.

## ARTICLE III: GENERAL PROVISIONS

### SUSPENSION OF JOINT RULES

Rule 3.01. Either house may suspend the Joint Rules of the Senate and House by a vote of two-thirds of its members.

### ODD YEAR SESSION ADJOURNMENT

Rule 3.02. Adjournment of the regular session in any odd-numbered year to a date certain in the following year shall be equivalent to daily adjournment, except that upon adjournment in any odd-numbered year to a date certain in the following year:

(a) Any bill being considered by a Conference Committee shall be returned to the house of origin, laid on the table, and the Conference Committee shall be discharged;

(b) Any bill referred to the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House pursuant to Joint Rule 2.03 shall be returned to the standing committee to which it was last previously referred; and

(c) Any bill returned by the Governor to the house of origin with his objections following such adjournment shall be laid on the table.

## INTERIM COMMITTEE AND COMMISSION REPORTS

Rule 3.03. Except as otherwise provided by law, the report of any interim committee or commission to the Legislature shall be submitted on paper 8 1/2" x 11" in size, spiral bound, stapled, or punched on the left edge to fit a standard size three ring binder intended for that size paper. A brief summary of the recommendations of the commission or committee shall appear first and be clearly separated from its findings, discussions, and exhibits. If the report contains legislative recommendations, a copy of any proposed legislation, particularly if extensive in character, shall if possible be attached as an exhibit at the end of the report.

## EMPLOYEE CAMPAIGN ACTIVITY

*Rule 3.04. From the closing of filings for office in the respective body until the general election, no legislative employee may engage in campaign activity during hours of employment. Campaign activity means mailings of campaign committees, fundraising, polling, and campaign material design and dissemination.*

## ARTICLE IV: ELECTION OF REGENTS

### JOINT COMMITTEE

Rule 4.01. By May 7 of each odd-numbered year, or at a date agreed to by concurrent resolution, a joint committee shall meet to recommend nominees for regent of the University of Minnesota to be presented to a Joint Convention of the legislature. The members of the joint committee are the members of the senate and house committees on education. A majority of the members from each house is a quorum of the joint committee.

The joint committee shall determine the number of persons, and the person or persons to be recommended for each open seat.

Each person recommended by the regent candidate advisory council is considered to be nominated. Other persons may be nominated by a member of the committee at the meeting. Nominations may be made by committee members only. Nominations must be made for a specified congressional or student seat, or for any at-large seat.

The roll shall be called viva voce on the recommendation of regents. A majority vote of the members of the joint committee is required for a candidate to be recommended.

### JOINT CONVENTION

Rule 4.02. At the Joint Convention of the senate and house of representatives called to elect regents, the joint committee shall report the name of the person or persons recommended for each seat. These persons are considered to be nominated. Any member of the legislature may submit additional nominations. If there is more than one at-large seat to be filled, all candidates for an at-large seat run for any of the at-large seats.

The roll shall be called viva voce on the election of regents. The roll must be called first on congressional district seats until they are filled, then on the student seat, and then on the at-large seats. The candidate for each seat receiving a majority of the votes cast must be declared elected. If no candi-

date receives a majority of the votes cast for a seat, on each succeeding ballot the candidate with the fewest votes must be dropped from consideration and the votes cast again until a majority vote is achieved. Any candidate with fewer than 20 votes on any ballot shall also be dropped on succeeding ballots.

Mr. Luther moved that the foregoing resolution be laid on the table and printed in the Journal. The motion prevailed.

### MOTIONS AND RESOLUTIONS – CONTINUED

Mr. Metzen moved that S.F. No. 83 be withdrawn from the Committee on Crime Prevention and re-referred to the Committee on Commerce and Consumer Protection. The motion prevailed.

### CALL OF THE SENATE

Mr. Spear imposed a call of the Senate for the proceedings of the Calendar. The Sergeant at Arms was instructed to bring in the absent members.

### CALENDAR

H.F. No. 585: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1, 2, 4, and by adding a subdivision; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

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 35 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Flynn	Kiscaden	Mondale	Ranum
Belanger	Hottinger	Krentz	Morse	Reichgott
Berglin	Janezich	Luther	Murphy	Riverness
Betzold	Johnson, D.E.	Marty	Novak	Robertson
Chandler	Johnson, D.J.	Merriam	Pappas	Spear
Cohen	Johnson, J.B.	Metzen	Piper	Terwilliger
Finn	Kelly	Moe, R.D.	Price	Wiener

Those who voted in the negative were:

Adkins	Chmielewski	Knutson	Lessard	Runbeck
Beckman	Day	Kroening	McGowan	Sams
Benson, D.D.	Dille	Laidig	Neuville	Samuelson
Benson, J.E.	Frederickson	Langseth	Oliver	Stumpf
Berg	Hanson	Larson	Olson	Vickerman
Bertram	Johnston	Lesewski	Pariseau	

So the bill passed and its title was agreed to.

H.F. No. 145: A bill for an act relating to occupations and professions; modifying board of medical practice requirements for licensure by reciprocity; amending Minnesota Statutes 1992, section 147.03, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Johnston	McGowan	Price
Anderson	Day	Kelly	Merriam	Ranum
Beckman	Dille	Kiscaden	Metzen	Reichgott
Belanger	Finn	Knutson	Moe, R.D.	Riveness
Benson, D.D.	Flynn	Krentz	Morse	Robertson
Benson, J.E.	Frederickson	Kroening	Murphy	Runbeck
Berg	Hanson	Laidig	Neuville	Samuelson
Berglin	Hottinger	Langseth	Oliver	Spear
Bertram	Janezich	Larson	Olson	Stumpf
Betzold	Johnson, D.E.	Lesewski	Pappas	Terwilliger
Chandler	Johnson, D.J.	Luther	Pariseau	Vickerman
Chmielewski	Johnson, J.B.	Marty	Piper	Wiener

So the bill passed and its title was agreed to.

H.F. No. 159: A bill for an act relating to education; extending the time for school districts that have received capital loans to enter into construction contracts; amending Minnesota Statutes 1992, section 124.431, 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	Day	Kiscaden	Metzen	Ranum
Anderson	Dille	Knutson	Moe, R.D.	Reichgott
Beckman	Finn	Krentz	Mondale	Riveness
Belanger	Flynn	Kroening	Morse	Robertson
Benson, D.D.	Frederickson	Laidig	Murphy	Runbeck
Benson, J.E.	Hanson	Langseth	Neuville	Sams
Berg	Hottinger	Larson	Novak	Samuelson
Berglin	Janezich	Lesewski	Oliver	Spear
Bertram	Johnson, D.E.	Lessard	Olson	Stevens
Betzold	Johnson, D.J.	Luther	Pappas	Stumpf
Chandler	Johnson, J.B.	Marty	Pariseau	Terwilliger
Chmielewski	Johnston	McGowan	Piper	Vickerman
Cohen	Kelly	Merriam	Price	Wiener

So the bill passed and its title was agreed to.

S.F. No. 98: A bill for an act relating to towns; eliminating distribution of certain reports relating to town roads and bridges; amending Minnesota Statutes 1992, section 164.03, 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Berglin	Dille	Johnson, D.E.	Krentz
Anderson	Bertram	Finn	Johnson, D.J.	Kroening
Beckman	Betzold	Flynn	Johnson, J.B.	Laidig
Belanger	Chandler	Frederickson	Johnston	Langseth
Benson, D.D.	Chmielewski	Hanson	Kelly	Larson
Benson, J.E.	Cohen	Hottinger	Kiscaden	Lesewski
Berg	Day	Janezich	Knutson	Lessard

Luther	Morse	Pappas	Riveness	Stevens
Marty	Murphy	Pariseau	Robertson	Stumpf
McGowan	Neuville	Piper	Runbeck	Terwilliger
Merriam	Novak	Price	Sams	Vickerman
Moe, R.D.	Oliver	Ranum	Samuelson	Wiener
Mondale	Olson	Reichgott	Spear	

So the bill passed and its title was agreed to.

S.F. No. 99: A bill for an act relating to towns; clarifying certain provisions for the terms of town supervisor; providing for the compensation of certain town officers and employees; amending Minnesota Statutes 1992, sections 367.03, subdivision 1; and 367.05, 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 97: A bill for an act relating to labor relations; regulating public employment labor relations; modifying the definition of a confidential employee; amending Minnesota Statutes 1992, section 179A.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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Krentz	Morse	Runbeck
Anderson	Finn	Kroening	Murphy	Sams
Beckman	Flynn	Laidig	Neuville	Samuelson
Belanger	Frederickson	Langseth	Novak	Spear
Benson, D.D.	Hanson	Larson	Oliver	Stevens
Benson, J.E.	Hottinger	Lesewski	Olson	Stumpf
Berg	Janezich	Lessard	Pappas	Terwilliger
Berglin	Johnson, D.E.	Luther	Pariseau	Vickerman
Bertram	Johnson, D.J.	Marty	Piper	Wiener
Betzold	Johnson, J.B.	Merriam	Price	
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kiscaden	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 192: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Aitkin 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 229: A bill for an act relating to watercraft; mirror requirements for watercraft towing persons on various devices; amending Minnesota Statutes 1992, section 86B.313, 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	Day	Kiscaden	Metzen	Ranum
Anderson	Dille	Knutson	Moe, R.D.	Reichgott
Beckman	Finn	Krentz	Mondale	Riveness
Belanger	Flynn	Kroening	Morse	Robertson
Benson, D.D.	Frederickson	Laidig	Murphy	Runbeck
Benson, J.E.	Hanson	Langseth	Neuville	Sams
Berg	Hottinger	Larson	Novak	Samuelson
Berglin	Janezich	Lesewski	Oliver	Spear
Bertram	Johnson, D.E.	Lessard	Olson	Stevens
Betzold	Johnson, D.J.	Luther	Pappas	Stumpf
Chandler	Johnson, J.B.	Marty	Pariseau	Terwilliger
Chmielewski	Johnston	McGowan	Piper	Vickerman
Cohen	Kelly	Merriam	Price	Wiener

So the bill passed and its title was agreed to.

S.F. No. 235: A bill for an act relating to state lands; authorizing release of a reversionary interest in certain state lands conveyed to the city of St. Peter.

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

So the bill passed and its title was agreed to.

S.F. No. 281: A bill for an act relating to taxation; providing for payment of certain in-lieu taxes; amending Minnesota Statutes 1992, sections 97A.061, subdivisions 2 and 3; and 477A.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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 283: A bill for an act relating to state lands; authorizing the conveyance of state land in St. Louis 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 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 313: A bill for an act relating to Dakota county; providing for the composition and powers of the county housing and redevelopment authority and the county extension committee; amending Minnesota Statutes 1992, section 383D.41, subdivisions 1, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 383D.

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

So the bill passed and its title was agreed to.

S.F. No. 434: A bill for an act relating to traffic regulations; making technical changes and clarifications; prohibiting buses from following too closely; providing exceptions to restrictions on installing television screens in motor vehicles; providing for auxiliary lights when headlights are obstructed by snowplow blade; requiring use of shoulder belt when motor vehicle is so equipped; providing exception for law enforcement vehicles to restriction on objects hanging between driver and windshield; abolishing authority for designating official stations for adjusting vehicle lights and brakes; amending Minnesota Statutes 1992, sections 169.14, subdivision 10; 169.18, subdivisions 5 and 8; 169.471, subdivision 1; 169.56, subdivisions 3, 4, and by adding a subdivision; 169.60; 169.686, subdivision 1; and 169.71, subdivision 1; repealing Minnesota Statutes 1992, section 169.77.

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	Chandler	Janezich	Laidig	Moe, R.D.
Anderson	Chmielewski	Johnson, D.E.	Langseth	Mondale
Beckman	Cohen	Johnson, D.J.	Larson	Morse
Belanger	Day	Johnson, J.B.	Lesewski	Murphy
Benson, D.D.	Dille	Johnston	Lessard	Neuville
Benson, J.E.	Finn	Kelly	Luther	Novak
Berg	Flynn	Kiscaden	Marty	Oliver
Berglin	Frederickson	Knutson	McGowan	Olson
Bertram	Hanson	Krentz	Merriam	Pappas
Betzold	Hottinger	Kroening	Metzen	Pariseau

Piper	Reichgott	Runbeck	Spear	Terwilliger
Price	Riveness	Sams	Stevens	Vickerman
Ranum	Robertson	Samuelson	Stumpf	Wiener

So the bill passed and its title was agreed to.

S.F. No. 247: A bill for an act relating to medical records; clarifying a patient's right of access to medical records; amending Minnesota Statutes 1992, section 144.335, 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	Day	Kiscaden	Metzen	Reichgott
Anderson	Dille	Knutson	Moe, R.D.	Riveness
Beckman	Finn	Krentz	Mondale	Robertson
Belanger	Flynn	Kroening	Morse	Runbeck
Benson, D.D.	Frederickson	Laidig	Murphy	Sams
Benson, J.E.	Hanson	Langseth	Neuville	Samuelson
Berg	Hottinger	Larson	Novak	Spear
Berglin	Janezich	Lesewski	Oliver	Stevens
Bertram	Johnson, D.E.	Lessard	Olson	Stumpf
Betzold	Johnson, D.J.	Luther	Pappas	Terwilliger
Chandler	Johnson, J.B.	Marty	Piper	Vickerman
Chmielewski	Johnston	McGowan	Price	Wiener
Cohen	Kelly	Merriam	Ranum	

So the bill passed and its title was agreed to.

H.F. No. 358: 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 1992, sections 3.9741; 10A.01, subdivision 18; 10A.49, subdivisions 2 and 3; 11A.23, subdivision 1; 13.32, subdivisions 3 and 5; 13.791; 13.99, subdivision 82; 16B.06, subdivision 2a; 18C.551, subdivision 3; 43A.317, subdivision 9; 60A.74, subdivision 6; 62A.44, subdivision 2; 62J.21; 65B.09, subdivision 1; 79.251, subdivision 6; 79A.01, subdivision 1; 80C.18, subdivision 1; 80E.09, subdivision 2; 86B.321, subdivision 1; 103G.293; 116R.01, subdivision 6; 120.064, subdivision 6; 123.39, subdivision 8d; 144.878, subdivision 2; 148B.06, subdivision 2; 148C.11, subdivision 4; 168.187, subdivision 26; 169.797, subdivision 1; 240.011; 245A.18; 256B.0644; 256B.19, subdivision 1a; 268.071, subdivision 3; 289A.20, subdivision 4; 290.9201, subdivision 7; 290A.03, subdivision 13; 325E.0681, subdivision 9; 326.43; 349.151, subdivision 2; 349.19, subdivision 6; 349.31, subdivision 1; 352.03, subdivision 16; 352C.021, subdivision 6; 357.11; 471.617, subdivision 1; 473.516, subdivision 1; 473.704, subdivision 17; 473.811, subdivisions 6, 7, 8, and 9; 475.66, subdivision 3; 477A.13; 480.15, subdivision 9; 480.059, subdivision 7; 525.9221; 551.04, subdivision 14; 600.02; 609.3471; 626.556, subdivision 10; and 626.861, subdivision 3; repealing Minnesota Statutes 1992, sections 61A.011, subdivision 8; 240.01, subdivision 14; 240.011, subdivision 1; 334.011, subdivision 4; and 480.0591, subdivision 3; Laws 1991, chapter 254, article 3, section 21.

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

So the bill passed and its title was agreed to.

S.F. No. 234: A bill for an act relating to juvenile justice; defining "child in need of protection or services" and "child abuse"; amending Minnesota Statutes 1992, section 260.015, subdivision 2a, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 567: A bill for an act relating to elections; changing registration, filing, boundary change, ballot preparation, canvassing, system testing, and notice requirements and procedures; changing certain duties of election officials; clarifying certain language; adding to reimbursable expenses; amending Minnesota Statutes 1992, sections 201.071, subdivision 1; 201.081; 201.11; 201.13, subdivision 2, and by adding a subdivision; 201.15; 204B.06, subdivisions 4 and 6; 204B.14, subdivision 4; 204B.16, by adding a subdivision; 204B.46; 204C.06, subdivision 1; 204C.31, subdivision 2; 204C.32; 204D.04, subdivision 2; 204D.11, subdivisions 2, 3, and 6; 204D.24, subdivision 2; 204D.27, subdivision 11; 206.83; 206.90, subdivision 6; 207A.02, subdivision 1; 207A.10, subdivision 2; 211B.11, subdivision 1; 211B.14; and 365.51, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 371: A resolution memorializing the President and Congress to retain the Grand Forks Air Force Base, Grand Forks, North Dakota.

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 42 and nays 24, as follows:

Those who voted in the affirmative were:

Beckman	Janezich	Laidig	Mondale	Samuelson
Benson, D.D.	Johnson, D.E.	Langseth	Morse	Solon
Bertram	Johnson, D.J.	Larson	Murphy	Stevens
Betzold	Johnson, J.B.	Lesewski	Neuville	Stumpf
Chmielewski	Johnston	Lessard	Novak	Vickerman
Dille	Kelly	Luther	Piper	Wiener
Finn	Kiscaden	McGowan	Price	
Frederickson	Krentz	Metzen	Reichgott	
Hanson	Kroening	Moe, R.D.	Sams	

Those who voted in the negative were:

Adkins	Berglin	Hottinger	Olson	Robertson
Anderson	Chandler	Knutson	Pappas	Runbeck
Belanger	Cohen	Marty	Pariseau	Spear
Benson, J.E.	Day	Merriam	Ranum	Terwilliger
Berg	Flynn	Oliver	Riveness	

So the resolution passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 789: A bill for an act relating to the city of St. Paul; validating an approval of special laws.

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	Benson, D.D.	Bertram	Cohen	Flynn
Anderson	Benson, J.E.	Betzold	Day	Frederickson
Beckman	Berg	Chandler	Dille	Hanson
Belanger	Berglin	Chmielewski	Finn	Hottinger



Janezich	Laidig	Metzen	Pappas	Sams
Johnson, D.E.	Langseth	Moe, R.D.	Pariseau	Samuelson
Johnson, D.J.	Larson	Mondale	Piper	Solon
Johnson, J.B.	Lesewski	Morse	Price	Spear
Johnston	Lessard	Murphy	Ranum	Stevens
Kelly	Luther	Neuville	Reichgott	Stumpf
Kiscaden	Marty	Novak	Riveness	Terwilliger
Knutson	McGowan	Oliver	Robertson	Vickerman
Krentz	Merriam	Olson	Runbeck	Wiener

So the bill passed and its title was agreed to.

### GENERAL ORDERS

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

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

S.F. Nos. 306, 262, 50 and H.F. Nos. 203, 298, 341, 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. Pogemiller introduced—

S.F. No. 1288: A bill for an act relating to health occupations; requiring the board of podiatric medicine to adopt rules governing podiatric assistants; amending Minnesota Statutes 1992, section 153.02.

Referred to the Committee on Health Care.

Messrs. Kroening; Kelly; Metzen; Johnson, D.J. and Novak introduced—

S.F. No. 1289: A bill for an act relating to economic development; creating an urban challenge grant program; requiring rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116M.

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

Mr. Riveness, Ms. Robertson, Messrs. Terwilliger and Oliver introduced—

S.F. No. 1290: A bill for an act relating to local government; permitting the cities of Bloomington, Edina, Richfield, Eden Prairie, and Minnetonka to establish a transportation demand management program.

Referred to the Committee on Metropolitan and Local Government.

Ms. Krentz, Mr. Cohen, Mses. Berglin and Robertson introduced—

S.F. No. 1291: A bill for an act relating to liquor; identification required for purchase or consumption; amending Minnesota Statutes 1992, section 340A.503, subdivision 6.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Sams, Bertram, Morse, Vickerman and Dille introduced—

S.F. No. 1292: A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

Referred to the Committee on Agriculture and Rural Development.

Mr. Spear and Ms. Anderson introduced—

S.F. No. 1293: A bill for an act relating to jury management; increasing the fee for jury trial requests; authorizing the supreme court to set the compensation and travel reimbursement of jurors; amending Minnesota Statutes 1992, sections 357.021, subdivision 2; and 593.48.

Referred to the Committee on Judiciary.

Messrs. Samuelson, Sams, Day and Finn introduced—

S.F. No. 1294: A bill for an act relating to local government aids; establishing a separate formula for cities with a population of less than 2,500; amending Minnesota Statutes 1992, sections 477A.011, subdivision 1a, and by adding subdivisions; 477A.013, subdivisions 3, 5, and by adding a subdivision; and 477A.03, subdivision 1.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Samuelson, Sams, Day and Finn introduced—

S.F. No. 1295: A bill for an act relating to human services; increasing reimbursement rates for day training and habilitation services; requiring salary increases for personnel below top management; amending Minnesota Statutes 1992, section 252.24, by adding a subdivision.

Referred to the Committee on Health Care.

Mses. Runbeck, Lesewski, Messrs. Frederickson, Chmielewski and Novak introduced—

S.F. No. 1296: A bill for an act relating to unemployment compensation; modifying definitions; changing provisions relating to eligibility for and administration of unemployment compensation; amending Minnesota Statutes 1992, sections 268.04, subdivisions 4 and 12; 268.08, subdivisions 3 and 6; 268.09, subdivisions 1, 2, and 8; 268.10, subdivisions 2 and 6; 268.12, subdivision 12; 268.16, subdivision 4; and 268.161, subdivision 9.

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

Messrs. Luther, Metzen, Ms. Hanson, Messrs. Pogemiller and Terwilliger introduced—

S.F. No. 1297: A bill for an act relating to occupations and professions; board of architecture, engineering, land surveying, landscape architecture,

and certified interior designer; establishing a procedure for issuance, denial, revocation, and suspension of licenses; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Morse introduced—

S.F. No. 1298: A bill for an act relating to intoxicating liquor; authorizing Houston county to issue an on-sale intoxicating liquor license to establishments in Crooked Creek and Brownsville township.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Solon, Riveness, Samuelson, Mses. Kiscaden and Piper introduced—

S.F. No. 1299: A bill for an act relating to occupations and professions; dentistry; modifying a certain exception to the licensing requirements; establishing faculty, resident dentist, and specialty licenses; modifying a certain ground for disciplinary action; amending Minnesota Statutes 1992, sections 150A.01, by adding subdivisions; 150A.05, subdivision 2; 150A.06, by adding subdivisions; and 150A.08, subdivision 1.

Referred to the Committee on Health Care.

Mr. Kroening, Mses. Berglin and Ranum introduced—

S.F. No. 1300: A bill for an act relating to the city of Minneapolis; requiring the community development agency to expend funds for neighborhood development; amending Laws 1980, chapter 595, by adding a section.

Referred to the Committee on Metropolitan and Local Government.

Mr. Kelly, Ms. Krentz, Mr. Chandler, Mses. Johnson, J.B. and Pappas introduced—

S.F. No. 1301: A bill for an act relating to education; changing the definition of pupil unit for pupils in grade 5 or 6 who attend middle schools with pupils in grade 7, 8, or 9; amending Minnesota Statutes 1992, section 124.17, subdivision 1.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 1302: A bill for an act relating to human services; directing use of money collected as rent for property at regional treatment centers and state nursing home facilities; providing for the relocation of regional treatment center and nursing home residents; requiring evaluations of the regional treatment center system capacity; regulating compensation paid to residents; designating nursing home beds at regional treatment centers; clarifying that state regional centers may operate as multipurpose regional centers; clarifying financing for development of state-operated, community-based programs; making changes consistent with the closing of Moose Lake regional treatment center and Faribault regional center and the establishment of the Minnesota psychopathic personality treatment center; amending Minnesota Statutes

1992, sections 246.0135; 246.02, subdivision 2; 246.151, subdivision 1; 251.011, subdivision 4a; 252.025, subdivisions 1 and 4; 252.035; 252.50, subdivision 2; 253.015; 254.05; and 462A.03, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 245.

Referred to the Committee on Health Care.

Messrs. Bertram and Stumpf introduced—

S.F. No. 1303: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 748, Sartell.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 1304: A bill for an act relating to wetlands; extending dates for rule adoption and the prohibition on draining and filling; amending Minnesota Statutes 1992, section 103G.2369, subdivision 2; and Laws 1991, chapter 354, articles 6, section 22; and 7, section 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1305: A bill for an act relating to taxation; sales; exempting sales to political subdivisions of repair parts for fire trucks and emergency rescue vehicles; amending Minnesota Statutes 1992, section 297A.25, subdivision 11.

Referred to the Committee on Taxes and Tax Laws.

Mr. Bertram introduced—

S.F. No. 1306: A bill for an act relating to agriculture; making changes in the laws on pesticides and agricultural chemicals; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.14, subdivision 2; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; and 18C.305, subdivision 2; repealing Minnesota Statutes 1992, sections 18B.07, subdivision 3; 18C.211, subdivision 3; and 18C.215, subdivision 3.

Referred to the Committee on Agriculture and Rural Development.

Mr. Riveness, Ms. Wiener, Mr. Terwilliger and Ms. Runbeck introduced—

S.F. No. 1307: A bill for an act relating to state government; modifying provisions relating to the department of administration; amending Minnesota Statutes 1992, sections 13.37, subdivision 2; 13B.04; 15.061; 16B.06, subdivision 2; 16B.101, subdivision 3; 16B.17; 16B.19, subdivisions 2 and 10; 16B.24, subdivision 6; 16B.27, subdivision 3; 16B.32, subdivision 2; 16B.42, subdivisions 1, 2, 3, and 4; 16B.465, subdivision 6; 16B.48, subdivisions 2 and 3; 16B.49; 16B.51, subdivisions 2 and 3; 16B.58, subdivisions 1, 5, and 8; 16B.85, subdivision 1; 94.10, subdivision 1; 343.01, subdivisions 2, 3, and by adding subdivisions; and 403.11, subdivision 1; Laws 1979, chapter 333, section 18; and Laws 1991, chapter 345,

article 1, section 17, subdivision 4, as amended; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, sections 3.3026; 16B.41, subdivision 4; 16B.56, subdivision 4; and Laws 1987, chapter 394, section 13.

Referred to the Committee on Governmental Operations and Reform.

Mr. Riveness, Ms. Reichgott and Mr. Johnson, D.J. introduced—

S.F. No. 1308: A bill for an act relating to taxation; sales and use; exempting certain materials and supplies used in constructing a satellite broadcasting facility; proposing coding for new law in Minnesota Statutes, chapter 297A.

Referred to the Committee on Taxes and Tax Laws.

Mr. Riveness introduced—

S.F. No. 1309: A bill for an act relating to jobs and training; directing commissioner of jobs and training to provide staff and services for Minnesota jobs skills partnership board; amending Minnesota Statutes 1992, section 116L.03, subdivision 7.

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

Mr. Kelly introduced—

S.F. No. 1310: A bill for an act relating to search warrants; clarifying law with respect to service of search warrants; amending Minnesota Statutes 1992, sections 299D.03, subdivision 1; 626.05, subdivision 2; and 626.13.

Referred to the Committee on Crime Prevention.

Mr. Janezich, Ms. Anderson, Messrs. Samuelson, Solon and Johnson, D.E. introduced—

S.F. No. 1311: A bill for an act relating to consumer protection; providing for training requirements for manual or mechanical therapy; requiring diagnosis of a person's condition before therapy; providing for rulemaking; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 146.

Referred to the Committee on Health Care.

Mr. Cohen introduced—

S.F. No. 1312: A bill for an act relating to family law; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 214.101, subdivision 1; 349A.08, subdivision 8; 508.25; 518.551, subdivisions 5, 12, and by adding a subdivision; 518.64, subdivision 1; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; 518; and 609; repealing Minnesota Statutes 1992, section 609.37.

Referred to the Committee on Judiciary.

Messrs. Novak, Mondale, Ms. Anderson, Messrs. Chandler and Kelly introduced—

S.F. No. 1313: A bill for an act relating to employment; independent contractors; requiring contractors to treat certain independent contractors as employees; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Messrs. Novak; Johnson, D.J.; Ms. Anderson and Mr. Kelly introduced—

S.F. No. 1314: A bill for an act relating to employees; providing for a wage protection program; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

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

Messrs. Betzold and Finn introduced—

S.F. No. 1315: A bill for an act relating to burial grounds; providing criminal penalties for the disturbance of human burial grounds; creating civil remedies for the destruction or disturbance of human burial grounds; creating a council of traditional Indian practitioners to make recommendations regarding the management, treatment, and protection of Indian burial grounds and of human remains or artifacts contained in or removed from those grounds; amending Minnesota Statutes 1992, section 307.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 307.

Referred to the Committee on Veterans and General Legislation.

Ms. Reichgott, Messrs. Johnson, D.J. and Sams introduced—

S.F. No. 1316: A bill for an act relating to taxation; providing business tax incentives and simplified tax administrative procedures; requiring a study; amending Minnesota Statutes 1992, sections 289A.20, subdivisions 2 and 4; and 290.01, subdivisions 19a and 19c; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Hottinger, Mses. Kiscaden, Krentz and Robertson introduced—

S.F. No. 1317: A bill for an act relating to attorney fees in medical malpractice cases; limiting the amount of noneconomic damages; allowing both plaintiffs and defendants equal access to the provider in a medical malpractice action; establishing liability based on proportion of fault; amending Minnesota Statutes 1992, sections 549.01; 595.02, subdivision 5; and 604.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 548.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 1318: A bill for an act relating to health; clarifying the scope of confidentiality of records of review organizations; amending Minnesota Statutes 1992, section 145.64, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Betzold introduced—

S.F. No. 1319: A bill for an act relating to health; modifying the definition of review organization; amending Minnesota Statutes 1992, section 145.61, subdivision 5, and by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Murphy, Stumpf, Beckman and Price introduced—

S.F. No. 1320: A bill for an act relating to education; requiring changes in college preparation requirements.

Referred to the Committee on Education.

Ms. Olson, Mrs. Pariseau, Ms. Lesewski and Mr. Stevens introduced—

S.F. No. 1321: A bill for an act relating to the legislature; requiring that each bill be accompanied by a fiscal note; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Finance.

Messrs. Bertram, Vickerman and Sams introduced—

S.F. No. 1322: A bill for an act relating to human services; allowing counties to prioritize eligible groups for purposes of distributing funds related to the sliding fee child care program; amending Minnesota Statutes 1992, section 256H.10, subdivision 3; repealing Minnesota Statutes 1992, section 256H.03, subdivision 2b.

Referred to the Committee on Family Services.

Mr. Price, Meses. Reichgott, Flynn and Mr. Chandler introduced—

S.F. No. 1323: A bill for an act relating to taxation; allowing cities and towns to appeal to the county for review of certain county levies; proposing coding for new law in Minnesota Statutes, chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 1324: A bill for an act relating to human services; adding an exception to group residential housing rate; amending Minnesota Statutes 1992, section 256I.03, subdivision 2.

Referred to the Committee on Health Care.

Mr. Price introduced—

S.F. No. 1325: A bill for an act relating to education; making the state board of education the governing body for the center for arts education except for purposes of statewide resource and outreach programs and services; amending Minnesota Statutes 1992, sections 129C.10, subdivisions 1, 2, and by adding a subdivision; and 129C.15.

Referred to the Committee on Education.

Ms. Berglin and Mr. Riveness introduced—

S.F. No. 1326: A bill for an act relating to human services; extending eligibility for general assistance to pregnant women in first or second trimester of pregnancy; transferring high school students learning English from general assistance to work readiness; eliminating work readiness time limits; creating an administrative fraud disqualification process for general assistance and work readiness; increasing penalties for noncompliance with work readiness; amending Minnesota Statutes 1992, sections 256D.05, subdivision 1; 256D.051, subdivision 1; 256D.052, subdivisions 1 and 4; and 256D.101, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256D.

Referred to the Committee on Family Services.

Mses. Pappas, Flynn, Reichgott, Messrs. Johnson, D.J. and Hottinger introduced—

S.F. No. 1327: A bill for an act relating to taxation; property; providing for valuation of certain property that is not eligible for open space treatment; amending Minnesota Statutes 1992, section 273.112, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Ms. Pappas introduced—

S.F. No. 1328: A bill for an act relating to education; providing for a grant process for Upward Bound programs; requiring reports; appropriating money.

Referred to the Committee on Education.

Mses. Pappas and Anderson introduced—

S.F. No. 1329: A bill for an act relating to telephone service; expanding coverage of the telephone assistance plan; increasing the funding of the telephone assistance plan; amending Minnesota Statutes 1992, section 237.70, subdivisions 4a and 6.

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

Ms. Hanson, Messrs. Beckman and Sams introduced—

S.F. No. 1330: A bill for an act relating to agriculture; changing procedures and priority for agricultural input liens; amending Minnesota Statutes 1992, section 514.952, subdivisions 1, 2, and 6; repealing Minnesota Statutes 1992, section 514.952, subdivisions 3, 4, and 5.

Referred to the Committee on Agriculture and Rural Development.

Mr. Merriam introduced—

S.F. No. 1331: A bill for an act relating to government data practices; classifying certain data relating to legislative or budget proposals; proposing coding for new law in Minnesota Statutes, chapter 13.



Referred to the Committee on Judiciary.

Messrs. Merriam and Spear introduced—

S.F. No. 1332: A bill for an act relating to children; foster care and adoption placement; specifying time limits for compliance with placement preferences; setting standards for changing out-of-home placement; requiring notice of certain adoptions; amending Minnesota Statutes 1992, sections 257.071, subdivision 1a; 259.255; 259.28, subdivision 2; 259.455; and 260.181, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 259.

Referred to the Committee on Family Services.

Mr. Solon, Ms. Wiener, Messrs. Janezich, Belanger and Oliver introduced—

S.F. No. 1333: A bill for an act relating to insurance; regulating minimum loss ratios for noncomprehensive policies; amending Minnesota Statutes 1992, section 62A.135.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Samuelson and Sams introduced—

S.F. No. 1334: A bill for an act relating to the environment; citizen's lake monitoring program; appropriating money.

Referred to the Committee on Environment and Natural Resources.

Ms. Runbeck and Mr. Neville introduced—

S.F. No. 1335: A bill for an act relating to the state lottery; reducing the maximum percentage of gross revenues which may be expended for advertising; amending Minnesota Statutes 1992, section 349A.10, subdivision 3.

Referred to the Committee on Gaming Regulation.

Messrs. Solon and Johnson, D.J. introduced—

S.F. No. 1336: A bill for an act relating to the city of Duluth; authorizing the establishment of a special service district in the city; authorizing provision of special services in the district; providing for the levy and collection of special service charges.

Referred to the Committee on Metropolitan and Local Government.

Mr. Johnson, D.J. introduced—

S.F. No. 1337: A bill for an act relating to community colleges; authorizing the state board to construct student residences; authorizing revenue bonds.

Referred to the Committee on Education.

Messrs. Hottinger, Terwilliger and Ms. Runbeck introduced—

S.F. No. 1338: A bill for an act relating to the state building code; including state licensed facilities in coverage; clarifying certain language; changing

certain duties of the state building inspector and fee provisions; appropriating money; amending Minnesota Statutes 1992, sections 16B.60, subdivision 3, and by adding a subdivision; 16B.61, subdivisions 1a and 4; 16B.62, subdivision 1; 16B.66; 16B.70, subdivision 2; 16B.72; and 16B.73.

Referred to the Committee on Governmental Operations and Reform.

Mses. Johnson, J.B.; Piper; Mr. Solon, Mses. Berglin and Kiscaden introduced—

S.F. No. 1339: A bill for an act relating to occupations and professions; establishing a board of nutrition and dietetics practice; requiring nutritionists and dietitians to be licensed; establishing licensing requirements and exemptions; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 214.01, subdivision 2; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Ms. Johnson, J.B.; Messrs. Mondale, Merriam and Ms. Krentz introduced—

S.F. No. 1340: A bill for an act relating to environmental education; appropriating money.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 1341: A bill for an act relating to attorneys; providing for recovery of attorney fees in legal malpractice actions; proposing coding for new law in Minnesota Statutes, chapter 481.

Referred to the Committee on Judiciary.

Mr. Luther introduced—

S.F. No. 1342: A bill for an act relating to business corporations; amending Minnesota Statutes 1992, section 302A.011, subdivision 6a.

Referred to the Committee on Judiciary.

Messrs. Luther and Johnson, D.J. introduced—

S.F. No. 1343: A bill for an act relating to taxation; property; expanding the definition of relative for purpose of homestead classification; amending Minnesota Statutes 1992, section 273.124, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Cohen introduced—

S.F. No. 1344: A bill for an act relating to marriage; providing for postnuptial contracts; amending Minnesota Statutes 1992, section 519.11.

Referred to the Committee on Judiciary.

Messrs. Morse, Merriam, Riveness and Hottinger introduced—

S.F. No. 1345: A bill for an act relating to the environment; restructuring the Minnesota public facilities authority; transferring powers and duties to the commissioner of health and the department of public service; amending Minnesota Statutes 1992, sections 446A.02, subdivisions 3, 6, and by adding a subdivision; 446A.03, subdivisions 1 and 2; 446A.04, subdivision 1; 446A.06; 446A.07, subdivisions 4, 5, 6, and 10; 446A.071, subdivisions 3, 4, 5, and 7; 446A.08, by adding a subdivision; 446A.09; 446A.10, subdivision 2; 446A.12, subdivision 1; and 446A.21, subdivisions 1, 2, and 4.

Referred to the Committee on Governmental Operations and Reform.

Mr. Neuville, Mrs. Benson, J.E.; Mr. Stumpf, Ms. Olson and Mr. Larson introduced—

S.F. No. 1346: A bill for an act relating to education; creating education and training accounts; amending Minnesota Statutes 1992, sections 136A.121, by adding a subdivision; 289A.08, by adding a subdivision; 289A.50, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Mr. Janezich introduced—

S.F. No. 1347: A bill for an act relating to horse racing; adjusting the out-of-season simulcasting set-aside; providing for the continuation of horsepersons' organizations; amending Minnesota Statutes 1992, section 240.13, subdivision 5.

Referred to the Committee on Gaming Regulation.

Mr. Luther introduced—

S.F. No. 1348: A bill for an act relating to housing; appropriating money for multiunit blighted rental property removal.

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

Mr. Luther introduced—

S.F. No. 1349: A bill for an act relating to elections; prohibiting use of lists of registered voters for jury selection; amending Minnesota Statutes 1992, section 201.091, subdivisions 1, 4, and 5.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Chmielewski and Ms. Johnson, J.B. introduced—

S.F. No. 1350: A bill for an act relating to soil and water conservation; permitting soil and water conservation districts to levy taxes; providing for state aid to soil and water conservation districts; appropriating money; amending Minnesota Statutes 1992, section 103C.331, subdivision 16, and by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Mr. Morse, Meses. Anderson; Johnson, J.B.; Messrs. Mondale and Chandler introduced—

S.F. No. 1351: A bill for an act relating to pollution; regulating toxic air emissions; amending Minnesota Statutes 1992, sections 115D.07, subdivisions 1 and 2; 115D.08, subdivision 1; 115D.10; 115D.12, subdivision 2; 299K.08, by adding a subdivision; and 438.08; proposing coding for new law in Minnesota Statutes, chapter 115D.

Referred to the Committee on Environment and Natural Resources.

Messrs. Morse, Finn, Langseth, Kelly and Hottinger introduced—

S.F. No. 1352: A bill for an act relating to state buildings; approval of construction plans by the commissioner of administration; removing an exception for buildings and structures under control of the state university board; amending Minnesota Statutes 1992, section 16B.31, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Sams and Kroening introduced—

S.F. No. 1353: A bill for an act relating to health; requiring licensure to practice naturopathy; providing for conditions of licensure; qualifications and exemptions; establishing a state board of naturopathic examiners; providing for rulemaking; providing for discipline and penalties; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Ms. Berglin and Mr. Sams introduced—

S.F. No. 1354: A bill for an act relating to human services; requiring increases in rates for salaries of employees of intermediate care facilities for persons with mental retardation, home and community-based waived services, developmental achievement centers, and semi-independent living services programs; amending Minnesota Statutes 1992, sections 245.465, subdivision 2; 252.24, by adding a subdivision; 252.275, by adding a subdivision; 252.28, by adding a subdivision; 256B.491, subdivision 3; and 268A.06, by adding a subdivision.

Referred to the Committee on Health Care.

Messrs. Sams and Pogemiller introduced—

S.F. No. 1355: A bill for an act relating to education; providing for agreements between certain districts for cooperative special education; amending Minnesota Statutes 1992, section 122.895, subdivision 2, and by adding a subdivision.

Referred to the Committee on Education.

Messrs. Metzen; Johnson, D.E. and Riveness introduced—

S.F. No. 1356: A bill for an act relating to retirement; correctional employees retirement plan of the Minnesota state retirement system; transferring various employment positions in the departments of corrections and human services from coverage by the general state employees retirement plan

to the correctional employees retirement plan; amending Minnesota Statutes 1992, sections 352.91, by adding subdivisions; and 352.92, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Ms. Runbeck introduced—

S.F. No. 1357: A bill for an act relating to gambling; establishing a minimum age of 21 years to participate in pari-mutuel betting or lawful gambling or to purchase a ticket in the state lottery; directing the governor to seek renegotiation of certain compacts with Indian tribes; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.26, by adding a subdivision; 349.2127, by adding a subdivision; and 349A.12, subdivisions 1 and 2.

Referred to the Committee on Gaming Regulation.

Messrs. Stevens, Stumpf, Ms. Olson and Mr. Larson introduced—

S.F. No. 1358: A bill for an act relating to education; creating a special definition of pupil units; allowing early retirement levies; providing special aid for school district No. 480, Onamia, when resident pupils attend a nonpublic school located on a reservation.

Referred to the Committee on Education.

Ms. Runbeck, Messrs. Dille and Frederickson introduced—

S.F. No. 1359: A bill for an act relating to insurance; workers' compensation; requiring disclosure of premium calculation and policy history figures and claims experience to employers; amending Minnesota Statutes 1992, section 79.60, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 79.

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

Mr. Chmielewski introduced—

S.F. No. 1360: A bill for an act relating to local government; providing for water service from the city of Duluth to the cities of Proctor and Hermantown and the town of Rice Lake; providing an appeal process; amending Laws 1981, chapter 354, section 4.

Referred to the Committee on Environment and Natural Resources.

Ms. Ranum, Mr. Janezich and Ms. Piper introduced—

S.F. No. 1361: A bill for an act relating to the legislative commission on children, youth, and their families; authorizing the commission to hire staff; prescribing duties of other state officers; changing certain reporting requirements; directing the governor to consult with the commission when making certain program transfers; providing grants for community-based programs; appropriating money; amending Minnesota Statutes 1992, section 3.873, subdivisions 4, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 4.

Referred to the Committee on Family Services.

Messrs. Hottinger; Moe, R.D.; Pogemiller; Benson, D.D. and Ms. Runbeck introduced—

S.F. No. 1362: A bill for an act relating to state government; administrative rulemaking; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; regulating notices of intent to solicit outside opinion, public hearing requirements, and rule modifications; amending Minnesota Statutes 1992, sections 14.05, subdivision 2; 14.08; 14.09; 14.10; 14.115, subdivision 5; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.24; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.31; 14.32; 14.33; 14.34; 14.365; 14.47, subdivision 6; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1992, section 14.225.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Stumpf; Moe, R.D.; Dille; Mrs. Pariseau and Mr. Lessard introduced—

S.F. No. 1363: A bill for an act relating to natural resources; amending requirements to mitigate wetlands; adding exemptions; extending interim rules; amending Minnesota Statutes 1992, sections 103G.222; 103G.2241; 103G.2242, subdivisions 1 and 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1364: A bill for an act relating to hospital districts; permitting hospital districts to establish subordinate hospital boards; amending Minnesota Statutes 1992, section 447.32, by adding a subdivision.

Referred to the Committee on Metropolitan and Local Government.

Mr. Bertram introduced—

S.F. No. 1365: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 738, Holdingford.

Referred to the Committee on Education.

Mr. Bertram introduced—

S.F. No. 1366: A bill for an act relating to public employment; requiring the department of education to retain a certain position; requiring certain qualifications.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Chandler and Mondale introduced—

S.F. No. 1367: A bill for an act relating to the environment; authorizing administrative penalty orders for violations of provisions relating to hazardous chemical reporting requirements; amending Minnesota Statutes 1992, section 299K.10, by adding a subdivision.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Morse, Mondale and Novak introduced—

S.F. No. 1368: A bill for an act relating to the environment; imposing criminal penalties for knowing violations of air pollution requirements; amending Minnesota Statutes 1992, section 609.671, subdivisions 9 and 12.

Referred to the Committee on Environment and Natural Resources.

Mr. Sams introduced—

S.F. No. 1369: A bill for an act relating to acupuncture; requiring the commissioner of health to conduct a study and recommend a regulatory program; appropriating money.

Referred to the Committee on Health Care.

Mses. Runbeck, Ranum and Mr. Cohen introduced—

S.F. No. 1370: A bill for an act relating to the institute for child and adolescent sexual health; requiring continuation of planning for the institute; appropriating money.

Referred to the Committee on Health Care.

Mr. Luther introduced—

S.F. No. 1371: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 10.

Referred to the Committee on Rules and Administration.

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

### **MOTIONS AND RESOLUTIONS**

Mr. Metzen moved that S.F. No. 1160 be withdrawn from the Committee on Transportation and Public Transit and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

### **MEMBERS EXCUSED**

Mr. Johnson, D.J. was excused from the Session of today at 9:30 a.m. Mr. Pogemiller was excused from the Session of today from 9:00 to 9:45 a.m. Mr. Solon was excused from the Session of today from 9:00 to 9:30 a.m.

### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, March 29, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-SEVENTH DAY

St. Paul, Minnesota, Monday, March 29, 1993

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. R. Rudolf.

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

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 committee indicated.

March 15, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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



**BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION**

John C. Kim, 9350 Collegeview Rd., Bloomington, Hennepin County, has been appointed by me, effective March 20, 1993, for a term expiring on the first Monday in January, 1997.

Barbara J. Sykora, 4835 Highcrest Dr., Excelsior, Hennepin County, has been appointed by me, effective March 20, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

March 23, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

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

**MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY**

Earl Herring, Rt. 1, Box 230C, Detroit Lakes, Otter Tail County, has been appointed by me, effective March 27, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Education.)

Warmest regards,  
Arne H. Carlson, 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. 300: A bill for an act relating to local government; permitting sheriff civil service commissions to expand eligible lists in certain circumstances; amending Minnesota Statutes 1992, section 387.36.

Senate File No. 300 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 25, 1993

**CONCURRENCE AND REPASSAGE**

Mr. Hottinger moved that the Senate concur in the amendments by the

House to S.F. No. 300 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 300 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	Cohen	Knutson	Morse	Riveness
Anderson	Day	Krentz	Neuville	Robertson
Beckman	Flynn	Laidig	Novak	Runbeck
Belanger	Frederickson	Langseth	Oliver	Sams
Benson, D.D.	Hanson	Larson	Olson	Samuelson
Benson, J.E.	Hottinger	Lesewski	Pappas	Solon
Berg	Johnson, D.E.	Lessard	Pariseau	Spear
Berglin	Johnson, D.J.	Luther	Piper	Stevens
Bertram	Johnson, J.B.	Marty	Pogemiller	Stumpf
Betzold	Johnston	McGowan	Price	Terwilliger
Chandler	Kelly	Merriam	Ranum	Vickerman
Chmielewski	Kiscaden	Metzen	Reichgott	Wiener

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

#### MESSAGES FROM THE HOUSE – CONTINUED

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 585:

H.F. No. 585: A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1, 2, 4, and by adding a subdivision; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Clark, Orenstein and Bishop have been appointed as such committee on the part of the House.

House File No. 585 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 25, 1993

Mr. Luther, for Mr. Spear, moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 585, 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 Files, herewith transmitted: H.F. Nos. 111, 469, 827, 74, 385, 443, 576, 57, 95, 251, 552, 584 and 430.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 25, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 111: A bill for an act relating to highways; designating the B. E. Grotum memorial highway in Jackson county; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 128, now on General Orders.

H.F. No. 469: A bill for an act relating to drivers' licenses; providing that physical requirements to obtain school bus endorsement for driver's license are satisfied by possession of medical examiner's certificate required for commercial vehicle drivers; amending Minnesota Statutes 1992, section 171.321, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

H.F. No. 827: A bill for an act relating to highways; designating route as Wally Nelson Highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

H.F. No. 74: A bill for an act relating to local government; authorizing the city of Minneapolis, special school district No. 1, the city library board, and the city park and recreation board to impose residency requirements.

Referred to the Committee on Metropolitan and Local Government.

H.F. No. 385: A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 346.

H.F. No. 443: A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 88.04, subdivision 3; 103B.635, subdivision 2; 103B.691, subdivision 2; 103G.625, subdivision 3; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivision 7; 469.188; 471.191,

subdivision 2; 471.24; 471.57, subdivision 1; 471.61, subdivisions 1 and 2a; and 473.711, subdivision 2; Laws 1933, chapter 423, section 2; Laws 1943, chapters 196, section 6, as amended; 367, section 1, as amended; 510, section 1; Laws 1947, chapters 224, section 1; 340, section 4; Laws 1949, chapters 215, section 2; 252, section 1; and 668, section 1; Laws 1953, chapters 154, section 3; and 545, section 2; Laws 1957, chapters 213, section 1; and 629, section 1; Laws 1959, chapters 298, section 2; 520, section 1; and 556, section 1, as amended; Laws 1961, chapters 80, section 1; 81, section 1; 82, section 1; 151, section 1; 209, section 4; 317, section 1; 352, section 1, as amended; 616, section 1, subdivision 1; and 643, section 1; Laws 1961, extra session chapter 33, section 3; Laws 1963, chapters 29, section 1; 56, section 1; 103, section 1; and 603, section 1; Laws 1965, chapters 6, section 2, as amended; 442, section 1; 451, section 2; 512, section 1, subdivision 1; 527, section 1; and 617, section 1; Laws 1967, chapters 501, section 1; 526, section 1, subdivision 3; 542, section 1, subdivision 3; 611, section 1; 660, section 2, subdivision 2; and 758, section 1; Laws 1969, chapters 192, section 1, as amended; 534, section 2; 538, section 6, as amended; 602, section 1, subdivision 2; 652, section 1; 659, section 3; and 730, section 1; Laws 1971, chapters 404, section 1; 424, section 1; 573, sections 1 and 2, as amended; and 876, section 3; Laws 1973, chapter 81, section 1; Laws 1977, chapter 61, section 8; Laws 1979, chapters 1, section 3; 303, article 10, section 15, subdivision 2, as amended; and 253, section 3; Laws 1981, chapter 281, section 1; Laws 1983, chapter 326, section 17, subdivision 1; Laws 1984, chapters 380, section 1; and 502, article 13, section 8; Laws 1985, chapters 181, section 1; 289, sections 1, 3, 5, subdivision 1, and 6, subdivision 1; Laws 1986, chapters 392, section 1; and 399, article 1, section 1, as amended; Laws 1988, chapters 517, section 1; and 640, section 3; Laws 1990, chapter 604, article 3, sections 59, subdivision 1, and 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 6; 469.053, subdivision 6; 469.107, subdivision 1; 471.1921; and 471.63, subdivision 2; Laws 1915, chapter 316, section 1, as amended; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1961, chapters 30, section 1; 119, section 1; 276, section 1; and 439, section 1; Laws 1963, chapter 228, section 1; Laws 1971, chapters 168; 356, section 2; 515, section 1; and 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1977, chapter 246; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapters 3, section 2, subdivision 3; and 291, article 4, section 21.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 607.

H.F. No. 576: A bill for an act relating to state government; providing for appointments to advisory task forces, councils, and committees, administrative boards, and agencies; clarifying reporting requirements and term limits; amending Minnesota Statutes 1992, sections 15.014, subdivision 2; 15.0575, subdivision 2; 15.059, subdivision 2; 15.0597, subdivisions 2, 4, 5, and 7; and 214.09, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 570, now on General Orders.

H.F. No. 57: A bill for an act relating to traffic regulations; making technical corrections; clarifying situations when certain school bus signals

should not be used; providing evidentiary presumption regarding school buses; clarifying definition of special transportation as not including transportation of children by school bus; limiting weight of vehicles that may be towed by holder of class B driver's license; providing for revocation of school bus driver endorsement; amending Minnesota Statutes 1992, sections 169.443, subdivision 3; 169.444, subdivision 7; 171.01, subdivision 24; 171.02, subdivision 2; and 171.17, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 497, now on General Orders.

H.F. No. 95: A bill for an act relating to public lands; authorizing independent school district No. 577 of Willow River to sell certain lands to correct an erroneous boundary assumption.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 251: A bill for an act relating to child abuse reporting; expanding the definition of "neglect" to include failure to provide a child with necessary education; amending Minnesota Statutes 1992, section 626.556, subdivision 2.

Referred to the Committee on Crime Prevention.

H.F. No. 552: A bill for an act relating to real estate; modifying provisions for voluntary foreclosure of mortgages; amending Minnesota Statutes 1992, sections 580.23, subdivision 1; and 582.32, subdivisions 1, 2, 3, 5, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1992, section 582.32, subdivisions 4, 7, and 8.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 440, now on General Orders.

H.F. No. 584: A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.50, subdivision 3; 237.51, subdivision 2; and 237.52, subdivision 2; repealing Laws 1987, chapter 308, section 8.

Referred to the Committee on Family Services.

H.F. No. 430: A bill for an act relating to human services; requiring the department of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

Referred to the Committee on Health Care.

## REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted, with the exception of the report on S.F. No. 993. The motion prevailed.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 617: A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "(a)"

Page 1, line 16, delete the semicolon and insert a comma

Page 1, delete lines 17 to 21

Page 1, line 22, delete everything before "must"

Page 1, line 23, after "annuity" insert ", upon reaching normal retirement age,"

Page 1, line 25, after "system" insert ", notwithstanding the length of service vesting requirement in effect on the date of termination of state service by the person"

Page 2, delete lines 1 to 36

Page 3, delete lines 1 to 19

Page 3, line 20, delete "3" and insert "2"

Page 3, line 21, delete "purchasing" and insert "described in"

Page 3, line 22, delete "service credit under"

Page 3, delete lines 28 to 30

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 377: A bill for an act relating to health care; creating the children's mental health integrated fund; establishing an integrated service system for delivering mental health services to children; creating local children's mental health collaboratives; extending the statewide task force; appropriating money; amending Minnesota Statutes 1992, sections 245.4873, subdivision 2; and 256B.0625, by adding subdivisions; Laws 1991, chapter 292, article 6, section 57, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 245.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 9, insert:

"Subd. 4a. [FAMILY COMMUNITY SUPPORT SERVICES.] "Family community support services" has the definition provided in section 245.4871, subdivision 17."

Page 7, after line 15, insert:

"Subd. 20a. [THERAPEUTIC SUPPORT OF FOSTER CARE.] "Therapeutic support of foster care" has the definition provided in section 245.4871, subdivision 34."

Page 9, after line 36, insert:

“Sec. 5. [245.4932] [PROVIDER RESPONSIBILITIES; PAYMENTS; REVENUE ENHANCEMENT.]

*Subdivision 1. [PROVIDER RESPONSIBILITIES.] (a) Notwithstanding section 256B.19, subdivision 1, and except for family community support services and therapeutic support of foster care, when a local children's mental health collaborative seeks reimbursement under section 256B.0625, subdivision 34, for wraparound services and other services not eligible as of January 1, 1993, for reimbursement under medical assistance, the nonfederal share of costs shall be provided by the collaborative or by the service provider from sources other than federal funds or funds used to match other federal funds.*

*(b) Provider expenditures eligible for federal reimbursement under sections 245.493 to 245.496 must not be made from federal funds or funds used to match other federal funds.*

*(c) The commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the requirements of sections 245.493 to 245.496.*

*Subd. 2. [PAYMENTS.] Notwithstanding section 256.025, subdivision 2, payments under sections 245.493 to 245.496 to providers for wraparound service expenditures and expenditures for other services not eligible for reimbursement under medical assistance shall only be made of federal earnings from services provided under sections 245.493 to 245.496.*

*Subd. 3. [CENTRALIZED DISBURSEMENT OF MEDICAL ASSISTANCE PAYMENTS.] Notwithstanding section 256B.041, and except for family community support services and therapeutic support of foster care, county payments for the cost of wraparound services and other services not eligible on January 1, 1993, for reimbursement under medical assistance shall not be made to the state treasurer. For the purposes of wraparound services under sections 245.493 to 245.496, the centralized disbursement of payments to providers under section 256B.041 consists only of federal earnings from services provided under sections 245.493 to 245.496.”*

Page 13, line 29, after “assistance” insert “, including expenses for administration,”

Page 14, line 6, after “for” insert “family community support services and therapeutic support of foster care and for”

Page 14, line 7, after “treatment” insert “and” and delete everything after “services”

Page 14, line 8, delete everything before “when”

Page 16, line 22, delete “this chapter” and insert “section 245.492, subdivision 21, that are provided through a local children's mental health collaborative, as that entity is defined in section 245.492, subdivision 11”

Page 18, line 15, delete “5” and insert “6”

Page 18, line 35, delete “8 and 9” and insert “9 to 11”

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Health Care. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 921: A bill for an act relating to public safety; abolishing expiration date for pipeline safety advisory council; amending Minnesota Statutes 1992, section 299J.06, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1992, section 116I.07, subdivision 2, is amended to read:

Subd. 2. [NOTICE REQUIREMENT.] ~~An owner or lessee of any real property, or A person acting with the authority of an owner or lessee, who installs or repairs agricultural drainage tile on that property shall be relieved of liability as provided in subdivision 1 only if that owner, lessee or other person acting with authority notifies the designated agent of the owner or operator of the pipeline of the intention to install or repair drainage tile on the property at least seven days before that work commences. An owner or operator of a pipeline shall provide to the county auditor of each county in which that pipeline is located the name, address and phone number of the individual to whom notice shall be given as provided in this subdivision. Notice is effective if made in writing by certified mail to this designated agent of the owner or operator of the pipeline person gives oral or written notice to the One Call Excavation Notice System in compliance with section 216D.04.~~

Sec. 2. Minnesota Statutes 1992, section 216D.01, subdivision 5, is amended to read:

Subd. 5. [EXCAVATION.] “Excavation” means an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically powered tool, or machine-powered equipment of any kind, or by explosives. Excavation does not include:

(1) ~~the repair or installation of agricultural drainage tile for which notice has been given as provided by section 116I.07, subdivision 2;~~

(2) the extraction of minerals;

(3) (2) the opening of a grave in a cemetery;

(4) (3) normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the road ditch;

(5) (4) plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, trees, and shrubs, unless any of these activities disturbs the soil to a depth of 18 inches or more;

(6) ~~landscaping~~ or (5) gardening unless ~~one of the activities~~ it disturbs the soil to a depth of 12 inches or more; or

(7) (6) planting of windbreaks, shelterbelts, and tree plantations, unless any of these activities disturbs the soil to a depth of 18 inches or more.

Sec. 3. Minnesota Statutes 1992, section 216D.04, subdivision 1, is amended to read:



Subdivision 1. [NOTICE OF EXCAVATION REQUIRED; CONTENTS.]  
(a) Except in an emergency, an excavator ~~or land surveyor~~ shall ~~and a land surveyor~~ may contact the notification center and provide an excavation or location notice at least 48 hours before beginning any excavation or boundary survey, excluding Saturdays, Sundays, and holidays. An excavation or boundary survey begins, for purposes of this requirement, the first time excavation or a boundary survey occurs in an area that was not previously identified by the excavator or land surveyor in an excavation or boundary survey notice.

(b) The excavation or boundary survey notice may be oral or written, and must contain the following information:

(1) the name of the individual providing the excavation or boundary survey notice;

(2) the precise location of the proposed area of excavation or boundary survey;

(3) the name, address, and telephone number of the excavator or land surveyor or excavator's or land surveyor's company;

(4) the excavator's or land surveyor's field telephone number, if one is available;

(5) the type and the extent of the proposed excavation or boundary survey work;

(6) whether or not the discharge of explosives is anticipated; and

(7) the date and time when excavation or boundary survey is to commence."

Page 1, line 7, delete "Section 1" and insert "Sec. 4"

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying excavation notice requirement and definition;"

Page 1, line 4, delete "section" and insert "sections 116I.07, subdivision 2; 216D.01, subdivision 5; 216D.04, subdivision 1; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 563: A bill for an act relating to transportation; requiring handicapped individual desiring to use paratransit services to obtain physician's statement certifying disability; imposing a penalty; amending Minnesota Statutes 1992, sections 174.255, by adding a subdivision; and 473.384, 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. [174.295] [ELIGIBILITY CERTIFICATION; PENALTY FOR FRAUDULENT STATEMENTS.]

*Subdivision 1. [NOTICE.] A provider of special transportation service, as defined in section 174.29, receiving financial assistance under section 174.24, shall include on the application form for special transportation service, and on the eligibility certification form if different from the application form, a notice of the penalty for fraudulent certification under subdivision 4.*

*Subd. 2. [CERTIFIER STATEMENT.] A provider shall include on the application or eligibility certification form a place for the person certifying the applicant as eligible for special transportation service to sign, and the person certifying the applicant shall sign, stating that the certifier understands the penalty for fraudulent certification and that the certifier believes the applicant to be eligible.*

*Subd. 3. [APPLICANT STATEMENT.] A provider shall include on the application form a place for the applicant to sign, and the applicant shall sign, stating that the applicant understands the penalty for fraudulent certification and that the information on the application is true.*

*Subd. 4. [PENALTY.] A person is guilty of a misdemeanor if:*

*(1) the person fraudulently certifies to the special transportation service provider that the applicant is eligible for special transportation service; or*

*(2) the person obtains certification for special transportation service by misrepresentation or fraud.*

Sec. 2. Minnesota Statutes 1992, section 473.386, is amended by adding a subdivision to read:

*Subd. 2a. [ELIGIBILITY CERTIFICATION.] The board shall include the notice of penalty for fraudulent certification, and require the person certifying the applicant to sign the eligibility certification form and the applicant to sign the application form, as provided in section 174.295.*

Sec. 3. [APPLICATION.]

*Section 2 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.”*

Delete the title and insert:

“A bill for an act relating to transportation; requiring notice of and imposing a penalty for fraudulent certification of eligibility for special transportation service; amending Minnesota Statutes 1992, section 473.386, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 174.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 653: A bill for an act relating to town roads; permitting cartways to be established on alternative routes; amending Minnesota Statutes 1992, section 164.08, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 22, 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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 993: A bill for an act relating to public safety; allowing social security numbers of commercial drivers to be provided to the federal commercial driver license information system; allowing person whose vehicle license plates are impounded to designate a licensed driver for the purpose of obtaining special series license plates; prohibiting person whose license plates are impounded from purchasing a motor vehicle under certain conditions; clarifying driver's license classification provisions; imposing fee for duplicate identification card; requiring application for duplicate identification card when certain information changes; including certain traffic offenses as being serious violations when committed by commercial vehicle drivers; providing for driver's license reinstatement fees; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 168.042, subdivision 12, and by adding a subdivision; 171.02, subdivision 2; 171.06, subdivision 2; 171.11; 171.165, subdivision 4; and 171.29, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 17, strike “valid”

Page 5, line 20, after “169.18” insert “, subdivision 8”

Page 5, line 21, after “169.18” insert “, subdivisions 3 and 7,” and after “169.19” insert “, subdivision 8”

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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 737: A bill for an act relating to motor vehicles; requiring vehicle owner to transfer certificate of title upon gaining ownership to motor vehicle; allowing registrar to research records before responding to phone request; amending Minnesota Statutes 1992, sections 168.10, subdivision 1; 168.34; and 168A.30, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike “registered”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 908: A bill for an act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; appropriating money; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 14 to 17, delete the new language

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 809: A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2, 3, and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A; repealing Minnesota Statutes 1992, sections 155A.06; 155A.09, subdivision 7; 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 425: A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; appropriating money; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 207: A bill for an act relating to occupations and professions; boards of social work and marriage and family therapy; clarifying data classifications and providing certain immunities for supervisors and persons reporting violations; changing board membership; adding certain licensing

requirements to the board of social work; amending Minnesota Statutes 1992, sections 13.99, subdivision 49; 148B.04, by adding subdivisions; 148B.08, subdivision 1, and by adding a subdivision; 148B.18, subdivisions 8 and 10; 148B.19, subdivisions 1 and 2; 148B.21, subdivisions 3, 4, 5, 6, and by adding a subdivision; 148B.26, subdivision 1; 148B.27, by adding a subdivision; and 148B.28, subdivision 2:

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 21, delete "*Licensing*" and insert "*Certain licensing data*"

Page 1, line 22, delete "*reporting*" and insert "*data in reports*" and delete "*data*"

Page 1, delete lines 26 to 29 and insert:

"*Subd. 6. [CLASSIFICATION OF CERTAIN RESIDENCE ADDRESSES AND TELEPHONE NUMBERS.] Notwithstanding section 13.41, subdivision 2 or 4, the residence address and telephone number of an applicant or licensee are private data on individuals as defined in section 13.02, subdivision 12, if the applicant or licensee provides an alternative address and telephone number.*"

Pages 1 and 2, delete section 3

Page 2, line 14, strike "All"

Page 2, line 24, delete "All of"

Page 8, after line 10, insert:

"*Sec. 17. [EFFECTIVE DATE.]*

*Section 2 is effective the day following final enactment.*"

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "*clarifying*" and insert "*providing for*"

Page 1, line 9, delete "*subdivisions*" and insert "*a subdivision*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 502: A bill for an act relating to health; asbestos abatement; modifying provisions relating to asbestos-related work, licenses, and fees; providing penalties; amending Minnesota Statutes 1992, sections 326.71, subdivisions 3, 4, 5, 6, 8, and by adding subdivisions; 326.72; 326.73; 326.74; 326.75; 326.76; 326.78; 326.785; 326.79; 326.80; and 326.81; repealing Minnesota Statutes 1992, sections 326.71, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, after the period, insert "*This provision excludes asbestos-containing vinyl floor tiles and sheeting under 160 square feet.*"

Page 2, line 7, delete the first comma and insert a semicolon

Page 2, line 8, delete the third comma and insert a semicolon

Page 2, line 9, delete "by" and insert "in"

Page 7, line 3, delete "Five calendar days" and insert "One calendar day"

Page 7, line 7, after the comma, insert "of greater than ten but less than 260 linear feet of asbestos-containing material on pipes, or greater than six but less than 160 square feet of asbestos-containing material on other facility components."

Page 12, line 17, before "violations" insert "same or similar"

Page 12, line 18, after the period, insert "The history of past violations shall include previous violations received by the person licensed as a different entity."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 346: A bill for an act relating to agriculture; providing a time limit for certain actions related to right of first refusal; amending Minnesota Statutes 1992, section 500.24, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, section 500.24, subdivision 7, is amended to read:

Subd. 7. [NOTICE OF OFFER.] (a) The state, a federal agency, limited partnership, or a corporation subject to subdivision 6 must provide a notice of an offer to sell or lease agricultural land substantially as follows, after inserting the appropriate terms within the parentheses:

"NOTICE OF OFFER TO (LEASE, BUY) AGRICULTURAL LAND

TO: (...Immediately preceding former owner...)

FROM: (...The state, federal agency, limited partnership, or corporation subject to subdivision 6...)

DATE: (...date notice is mailed or personally delivered...)

HAS ACQUIRED THE AGRICULTURAL LAND DESCRIBED BELOW AND HAS RECEIVED AN ACCEPTABLE OFFER TO (LEASE, SELL) THE AGRICULTURAL LAND FROM ANOTHER PARTY. UNDER MINNESOTA STATUTES, SECTION 500.24, SUBDIVISION 6, AN OFFER FROM (...the state, federal agency, limited partnership, or corporation...) MUST BE MADE TO YOU AT A PRICE NO HIGHER THAN THE HIGHEST OFFER MADE BY ANOTHER PARTY.

THE AGRICULTURAL LAND BEING OFFERED CONTAINS APPROXIMATELY (...approximate number of acres...) ACRES AND IS INFORMALLY DESCRIBED AS FOLLOWS:

(Informal description of the agricultural land being offered that reasonably describes the land. This description does not need to be a legal description.)

(...The state, federal agency, limited partnership, or corporation...) OFFERS TO (SELL, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE FOR A CASH PRICE OF \$(...cash price or equivalent cash price for lease and lease period, or cash price or equivalent cash price for sale of land...), WHICH IS NOT HIGHER THAN THE PRICE OFFERED BY ANOTHER PARTY. THE PRICE IS OFFERED ON THE FOLLOWING TERMS:

(Terms, if any, of acceptable offer)

IF YOU WANT TO ACCEPT THIS OFFER YOU MUST NOTIFY (...the state, federal agency, limited partnership, or corporation...) IN WRITING THAT YOU ACCEPT THE OFFER OR SIGN UNDERNEATH THE FOLLOWING PARAGRAPH AND RETURN A COPY OF THIS NOTICE BY (15 for a lease, 65 for a sale) DAYS AFTER THIS NOTICE IS PERSONALLY DELIVERED OR MAILED TO YOU. THIS OFFER IN THIS NOTICE TERMINATES ON (...date of termination - 15 days for lease and 65 days for sale after date of mailing or personal delivery...)

I ACCEPT THE OFFER TO (BUY, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE AT THE PRICE OFFERED TO ME IN THIS NOTICE. AS PART OF ACCEPTING THIS OFFER I WILL PERFORM ACCORDING TO THE TERMS OF THE OFFER, INCLUDING MAKING PAYMENTS DUE UNDER THE OFFER, WITHIN TEN DAYS AFTER THE DATE I ACCEPT THIS OFFER. I UNDERSTAND THAT NEGOTIATING OR AGREEING TO AN ARRANGEMENT TO SELL THE AGRICULTURAL LAND TO ANOTHER PERSON PRIOR TO ACCEPTING THIS OFFER MAY BE A VIOLATION OF LAW AND I MAY BE LIABLE TO A PERSON DAMAGED BY THE SALE.

.....  
Signature of Former Owner Accepting Offer

.....  
Date

**IMPORTANT NOTICE**

**ANY ACTION FOR THE RECOVERY OF THE AGRICULTURAL LAND DESCRIBED ABOVE OR ANY CLAIM FOR DAMAGES REGARDING THIS OFFER MUST BE COMMENCED BY A LAWSUIT BEFORE THE EXPIRATION OF TWO YEARS AFTER THIS LAND IS SOLD TO ANOTHER PARTY. UPON FILING A LAWSUIT, YOU MUST ALSO FILE A NOTICE OF LIS PENDENS WITH THE COUNTY RECORDER OR REGISTRAR OF TITLES IN THE COUNTY WHERE THE LAND IS LOCATED.**

(b) For an offer to sell, a copy of the purchase agreement containing the price and terms of the highest offer made by a third party that is acceptable to the seller and a signed affidavit by the seller affirming that the purchase agreement is true, accurate, and made in good faith must be included with the

notice under this subdivision. At the seller's discretion, reference to the third party's identity may be deleted from the copy of the purchase agreement.

(c) For an offer to lease, a copy of the lease containing the price and terms of the highest offer made by a third party that is acceptable to the lessor and a signed affidavit by the lessor affirming that the lease is true, accurate, and made in good faith must be included with the notice under this subdivision. At the lessor's discretion, reference to the third party's identity may be deleted from the copy of the lease agreement.

(d) The affidavit under paragraphs (b) and (c) is subject to section 609.48."

Page 1, lines 19 and 20, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "500.24," insert "subdivision 7, and"

And when so amended the bill do pass. Amendments adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 826: A bill for an act relating to counties; allowing counties to impose fees or interest on late payments; amending Minnesota Statutes 1992, section 373.41.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, delete "overdue"

Page 1, line 19, before the period, insert "that are more than 90 days overdue"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 874: A bill for an act relating to the city of Floodwood and the towns of Floodwood, Van Buren, Halden, Cedar Valley, Ness, Arrowhead, Fine Lakes, and Prairie Lake, and unorganized territory 52-21; authorizing establishment of a joint ambulance district and imposition of a tax to finance the district.

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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 551: A bill for an act relating to traffic regulations; implements of husbandry; defining implements of husbandry; reducing maximum speed limit to 25 miles per hour for implements of husbandry and for towing certain farm trailers; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and



weight restrictions; making towed implements of husbandry subject to requirements for towing chains; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 169.01, subdivision 55; 169.145; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; 171.13, by adding a subdivision; 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 1992, section 169.01, subdivision 55, is amended to read:

Subd. 55. [IMPLEMENT OF HUSBANDRY.] (a) "Implement of husbandry" means every vehicle, *including a farm tractor and farm wagon*, designed ~~and~~ or adapted exclusively for agricultural, horticultural, or live-stock-raising operations or for lifting or carrying an implement of husbandry ~~and in either case not subject to registration if used upon the highways~~.

(b) A towed vehicle meeting the description in paragraph (a) ~~that is not required to be registered~~ is an implement of husbandry without regard to whether the vehicle is towed by an implement of husbandry or by a registered motor vehicle.

Sec. 2. Minnesota Statutes 1992, section 169.145, is amended to read:

169.145 [IMPLEMENTS OF HUSBANDRY; SPEED; PENALTY.]

No person shall may:

(1) ~~drive a self-propelled or tow an implement of husbandry, nor shall any person tow a self-propelled implement of husbandry, nor shall any person that exceeds 6,000 pounds registered gross weight or gross vehicle weight and is not equipped with brakes or (2) tow a vehicle registered as a farm trailer that exceeds 6,000 pounds registered gross weight or gross vehicle weight and is not equipped with brakes and exceeding 6,000 pounds, at a speed in excess of 30 25 miles per hour. Violation of this section is a misdemeanor.~~

Sec. 3. Minnesota Statutes 1992, section 169.18, subdivision 5, is amended to read:

Subd. 5. [DRIVING LEFT OF ROADWAY CENTER.] (a) No vehicle shall be driven to the left side of the center of the roadway in overtaking and passing another vehicle proceeding in the same direction unless such left side is clearly visible and is free of oncoming traffic for a sufficient distance ahead to permit such overtaking and passing to be completely made without interfering with the safe operation of any vehicle approaching from the opposite direction or any vehicle overtaken. In every event the overtaking vehicle must return to the right-hand side of the roadway before coming within 100 feet of any vehicle approaching from the opposite direction;

(b) Except on a one-way roadway *or as provided in paragraph (c)*, no vehicle shall, in overtaking and passing another vehicle or at any other time, be driven to the left half of the roadway under the following conditions:

(1) When approaching the crest of a grade or upon a curve in the highway where the driver's view along the highway is obstructed within a distance of 700 feet;

(2) When approaching within 100 feet of any underpass or tunnel, or railroad grade crossing, or when approaching within 100 feet of or traversing any intersection within a city or without if so posted;

(3) Where official signs are in place prohibiting passing, or a distinctive center line is marked, which distinctive line also so prohibits passing, as declared in the manual of traffic-control devices adopted by the commissioner.

*(c) Paragraph (b) does not apply to a self-propelled implement of husbandry that (1) is escorted at the front by a registered motor vehicle that is displaying vehicular hazard warning lights visible to the front and rear in normal sunlight; and (2) does not extend into the left half of the roadway to any greater extent than made necessary by the total width of the right half of the roadway together with any adjacent shoulder that is suitable for travel.*

Sec. 4. Minnesota Statutes 1992, section 169.47, is amended to read:

169.47. [UNSAFE EQUIPMENT.]

Subdivision 1. [MISDEMEANOR.] (a) It is unlawful and punishable as hereinafter provided for any person to drive or for the owner to cause or knowingly permit to be driven on any highway any vehicle or combination of vehicles which is in such unsafe condition as to endanger any person, or which does not contain those parts or is not at all times equipped with such lamps and other equipment in proper condition and adjustment as required in this chapter, or which is equipped in any manner in violation of this chapter, or for any person to do any act forbidden or fail to perform any act required under this chapter.

(b) The provisions of this chapter with respect to equipment on vehicles shall do not apply to implements of husbandry, road machinery, or road rollers, or farm tractors, except as herein made applicable otherwise provided in this chapter.

(c) For purposes of this section, a specialized vehicle resembling a low-slung two-wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when such vehicle is used exclusively to transport implements of husbandry, provided, however, that no such vehicle shall operate on the highway before sunrise or after sunset unless proper lighting is affixed to the implement being drawn.

Sec. 5. Minnesota Statutes 1992, section 169.55, subdivision 2, is amended to read:

Subd. 2. [FARM VEHICLES IMPLEMENTS OF HUSBANDRY.] At the times when lighted lamps on vehicles are required:

(1) every ~~farm tractor and self-propelled unit of farm equipment shall implement of husbandry~~ must be equipped with at least one lamp displaying a white or amber light to the front, and at least one lamp displaying a red light to the rear;

(2) every self-propelled unit of farm equipment shall implement of husbandry must also display two red reflectors visible to the rear;

(3) every combination of a self-propelled and towed ~~unit of farm equipment~~ *shall implement of husbandry* must be equipped with at least one lamp mounted to indicate as nearly as practicable the extreme left projection of the combination and displaying a white or amber light to the front and a red or amber light to the rear of the self-propelled implement of husbandry; and

(4) the last unit of every combination of ~~farm equipment~~ *shall implements of husbandry* must display two red reflectors visible to the rear.

The reflectors ~~shall~~ *must* be of the type approved for use upon commercial vehicles. The reflectors ~~shall~~ *must* be mounted as close as practicable to the extreme edges of the ~~unit of farm equipment and implement of husbandry~~. The reflectors ~~shall~~ *must* be reflex reflectors that ~~shall be~~ *are* visible at night from all distances within 600 feet to 100 feet when directly in front of lawful lower beams of headlamps.

Sec. 6. Minnesota Statutes 1992, section 169.55, is amended by adding a subdivision to read:

*Subd. 3. [IMPLEMENTS OF HUSBANDRY; HAZARD WARNING LIGHTS.] No person may operate a self-propelled implement of husbandry manufactured after January 1, 1970, on a highway unless the implement of husbandry displays vehicular hazard warning lights visible to the front and rear in normal sunlight.*

Sec. 7. Minnesota Statutes 1992, section 169.64, subdivision 6, is amended to read:

*Subd. 6. [FLASHING AMBER LIGHT ON SERVICE VEHICLE, SNOW REMOVAL EQUIPMENT.] (a) Any service vehicle or self-propelled unit of farm equipment except a farm tractor may be equipped with a flashing amber lamp of a type approved by the commissioner of public safety.*

*(1) (b) A service vehicle shall not display the lighted lamp authorized under paragraph (a) when traveling upon the highway or at any other time except at the scene of a disabled vehicle or while engaged in snow removal or road maintenance.*

*(2) (c) A self-propelled unit of farm equipment implement of husbandry may display the lighted lamp authorized under paragraph (a) at any time.*

Sec. 8. Minnesota Statutes 1992, section 169.67, subdivision 3, is amended to read:

*Subd. 3. [TRAILERS, SEMITRAILERS, TANK TRAILERS.] Every trailer, semitrailer, or other vehicle with a gross weight that is 3,000 pounds or more or exceeds the empty weight of the towing vehicle, when drawn or pulled upon a highway, shall be equipped with brakes adequate to control the movement of and to stop and to hold such vehicle, and so designed as to be applied by the driver of a towing motor vehicle from its cab, except (a) trailers owned by farmers when transporting agricultural products produced on the owner's farm or supplies back to the farm of the owner of the trailer, (b) custom service vehicles drawn by motor vehicles equipped with brakes capable of stopping both vehicles within the distance required by law for vehicles with four-wheel brakes and contractors' custom service vehicles not exceeding 30,000 pounds gross weight and 45 miles per hour when drawn by a motor vehicle capable of stopping the combination within the performance standards of subdivision 5; (c) trailers or semitrailers when used by retail*

dealers delivering implements of husbandry, (d) motor vehicles drawn by motor vehicles equipped with brakes capable of stopping the combination of vehicles within the performance requirements of this section; (e) tank trailers not exceeding 8,500 pounds gross weight used solely for transporting liquid fertilizer or gaseous fertilizer under pressure, or distributor trailers not exceeding 8,500 pounds gross weight used solely for transporting and distributing dry fertilizer, when hauled by a truck capable of stopping with loaded trailer attached in the distance specified by subdivision 5 for vehicles equipped with four-wheel brakes, providing the gross weight of such trailer or semitrailer other than those described in this clause when drawn by a pleasure vehicle shall not exceed 3,000 pounds, or when drawn by a truck or tractor shall not exceed 6,000 pounds, or may exceed 6,000 pounds but not exceed 15,000 pounds for a trailer described in clause (a) when drawn by a truck or tractor at a speed not exceeding 30 miles per hour, and except disabled vehicles towed to a place of repair. (a) No trailer or semitrailer with a gross weight of 3,000 or more pounds, or a gross weight that exceeds the empty weight of the towing vehicle, may be drawn on a highway unless it is equipped with brakes that are adequate to control the movement of and to stop and hold the trailer or semitrailer.

(b) No trailer or semitrailer with a gross weight of more than 6,000 pounds may be drawn on a highway unless it is equipped with brakes that are so constructed that they are adequate to stop and hold the trailer or semitrailer whenever it becomes detached from the towing vehicle.

(c) Except as provided in paragraph (d), paragraph (a) does not apply to:

(1) a trailer owned by a farmer while transporting farm products produced on the owner's farm, or supplies back to the farm of the trailer's owner;

(2) a towed custom service vehicle drawn by a motor vehicle that is equipped with brakes that meet the standards of subdivision 5, provided that such a towed custom service vehicle that exceeds 30,000 pounds gross weight may not be drawn at a speed of more than 45 miles per hour;

(3) a trailer or semitrailer operated or used by retail dealers of implements of husbandry while engaged exclusively in the delivery of implements of husbandry;

(4) a motor vehicle drawn by another motor vehicle that is equipped with brakes that meet the standards of subdivision 5;

(5) a tank trailer of not more than 12,000 pounds gross weight owned by a distributor of liquid fertilizer while engaged exclusively in transporting liquid fertilizer, or gaseous fertilizer under pressure;

(6) a trailer of not more than 12,000 pounds gross weight owned by a distributor of dry fertilizer while engaged exclusively in the transportation of dry fertilizer; and

(7) a disabled vehicle while being towed to a place of repair.

(d) Trailers and semitrailers described in paragraph (c), clauses (1), (3), and (4), may be operated without complying with paragraph (a) only if the trailer or semitrailer does not exceed the following gross weights:

(1) 3,000 pounds while being drawn by a vehicle registered as a passenger automobile, other than a pickup truck as defined in section 168.011, subdivision 29;

(2) 12,000 pounds while being drawn by any other motor vehicle except a self-propelled implement of husbandry.

Sec. 9. Minnesota Statutes 1992, section 169.67, subdivision 4, is amended to read:

Subd. 4. [SERVICE BRAKES ON WHEELS; EXCEPTIONS.] Every motor vehicle, trailer, or semitrailer, manufactured after June 30, 1988, and operated upon the highways shall be equipped with service brakes upon all wheels of every such vehicle, except mobile cranes not exceeding 45 miles per hour and capable of stopping within the performance standards of subdivision 5, and except that any motorcycle, any trailer or semitrailer of less than 3,000 pounds gross weight, a third wheel, of a swivel type, on a travel trailer, a temporary auxiliary axle attached to a motor vehicle during the period of road restrictions for the purpose of relieving weight of another axle, when the temporary auxiliary axle and the axle to be relieved do not exceed the combined gross weight of 18,000 pounds, and the vehicle to which such temporary axle is attached meets the brake requirements of this section, need not be equipped with brakes; and except, further, that brakes are not required on the front wheels of vehicles manufactured before July 1, 1988, having three or more axles or upon more than one wheel of a motorcycle provided the brakes on the other wheels are adequate to stop the vehicle in accordance with the braking performance requirements of subdivision 5. (a) All motor vehicles, trailers, and semitrailers, manufactured after June 30, 1988, must be equipped with foot brakes on all wheels.

(b) Paragraph (a) does not apply to:

(1) a mobile crane that is not operated at a speed of more than 45 miles per hour and is capable of stopping within the performance standards of subdivision 5;

(2) a motorcycle;

(3) a trailer or semitrailer with a gross weight of less than 3,000 pounds;

(4) a swivel-type third wheel on a travel trailer;

(5) a temporary auxiliary axle attached to a motor vehicle during a period of vehicle weight restrictions for the purpose of relieving the weight on another axle, if the combined gross weight on the temporary axle and the axle being relieved does not exceed 18,000 pounds and the motor vehicle meets all brake requirements under this section.

(c) Paragraph (a) does not require brakes on the front wheels of a vehicle having three or more axles and manufactured before July 1, 1988, if the brakes on the other wheels of the vehicle meet the standards of subdivision 5.

Sec. 10. Minnesota Statutes 1992, section 169.67, is amended by adding a subdivision to read:

Subd. 6. [IMPLEMENTS OF HUSBANDRY.] An implement of husbandry that (1) is not self-propelled, (2) has a manufacturer's recommended capacity of more than 24,000 pounds, and (3) is manufactured and sold after January 1, 1994, must be equipped with brakes adequate to control the movement of and to stop and hold the towed vehicle.

Sec. 11. Minnesota Statutes 1992, section 169.72, subdivision 1, is amended to read:

Subdivision 1. [SOLID RUBBER, METAL, AND STUDED TIRES; EXCEPTIONS; PERMITS.] Every solid rubber tire on a vehicle shall have rubber on its entire traction surface at least one inch thick above the edge of the flange of the entire periphery.

No person shall operate or move on any highway any motor vehicle, trailer, or semitrailer, having any metal tire in contact with the roadway, except in case of emergency.

Except as provided in this section, no tire on a vehicle moved on a highway shall have on its periphery any block, stud, flange, cleat, or spike or any other protuberances of any material other than rubber which projects beyond the tread of the traction surface of the tire. It shall be permissible to use any of the following on highways: *Farm machinery implements of husbandry* with tires having protuberances which will not injure the highway, and tire chains of reasonable proportions upon any vehicle when required for safety because of snow, ice, or other conditions tending to cause a vehicle to skid.

The commissioner and local authorities in their respective jurisdictions may, in their discretion, issue special permits authorizing the operation upon a highway of traction engines or tractors having movable tracks with transverse corrugations upon the periphery of such movable tracks or farm tractors or other farm machinery, the operation of which upon a highway would otherwise be prohibited under this chapter.

Sec. 12. Minnesota Statutes 1992, section 169.80, subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] It is a misdemeanor for a person to drive or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80 to 169.88, or otherwise in violation of sections 169.80 to 169.88, other than section 169.81, subdivision 5a, and the maximum size and weight of vehicles as prescribed in sections 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no power or authority to alter these limitations except as express authority may be granted in sections 169.80 to 169.88.

When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

The provisions of sections 169.80 to 169.88 governing size, weight, and load shall not apply to fire apparatus, or to implements of husbandry temporarily moved upon a highway, or to loads of loose hay or corn stalks if transported by a horse-drawn vehicle or drawn by a farm tractor, or to a

vehicle operated under the terms of a special permit issued as provided by law. For purposes of sections 169.80 to 169.88, a specialized vehicle resembling a low-slung two-wheel trailer having a short bed or platform shall be deemed to be an implement of husbandry when the vehicle is used exclusively to transport implements of husbandry; and the term "temporarily moved upon a highway" shall mean a movement not to exceed 50 miles.

In addition to any other special permits authorized, an annual permit may be issued authorizing movements on interstate highways and movements exceeding 50 miles on noninterstate highways of oversize vehicles and loads when the vehicles or combination of vehicles are used exclusively to transport implements of husbandry. Annual permits are issued in accordance with the applicable provisions of section 169.86, except that the transporting vehicle or combination of vehicles may be moved at the discretion of the permittee without prior route approval from the permit issuing office of the department of transportation if:

(a) The overall width of the transporting vehicle, including load, does not exceed 14 feet;

(b) The transporting vehicle otherwise complies with equipment requirements and length, height and weight limitations prescribed by this chapter;

(c) The movement is made after the hour of sunrise and not later than 30 minutes after sunset;

(d) The movement is not made when visibility is impaired by weather, fog or other conditions rendering persons and vehicles not clearly visible at a distance of 500 feet, or on Sundays after 12 o'clock noon, and holidays;

(e) The transporting vehicle shall display at the front and rear end of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, whenever the overall width of the vehicle exceeds ten feet, six inches; and

(f) The movement, if made on a trunk highway, is made on a trunk highway with a surfaced roadway width of not less than 24 feet.

The fee for an annual permit is \$24.

Sec. 13. Minnesota Statutes 1992, section 169.80, subdivision 2, is amended to read:

Subd. 2. [OUTSIDE WIDTH.] The total outside width of a vehicle exclusive of rear view mirrors or load securement devices which are not an integral part of the vehicle and not exceeding three inches on each side, or the load may not exceed 102 inches except that the outside width of a farm tractor, or a vehicle owned by a political subdivision and used exclusively for the purpose of handling sewage sludge from sewage treatment facilities to farm fields or disposal sites, may not exceed 12 feet, and except as otherwise provided in this section.

A vehicle exceeding 102 inches in total outside width, owned by a political subdivision and used for the purpose of transporting or applying sewage sludge to farm fields or disposal sites may not transport sludge for distances greater than 15 miles, nor may it be used for transportation of sewage sludge or return travel between the hours of sunset and sunrise, or at any other time when visibility is impaired by weather, smoke, fog, or other conditions

rendering persons and vehicles not clearly discernible on the highway at a distance of 500 feet.

The total outside width of a low bed trailer or equipment dolly, and the load, used exclusively for transporting farm machinery and construction equipment may not exceed nine feet in width except that a low bed trailer or equipment dolly with a total outside width, including the load, in excess of 102 inches may not be operated on any interstate highway without first having obtained a permit for the operation under section 169.86. The vehicle must display 12-inch square red flags as markers at the front and rear of the left side of the vehicle.

The total outside width of a trackless trolley car or passenger motor bus, operated exclusively in a city or contiguous cities in this state, may not exceed nine feet.

#### Sec. 14. [169.801] [IMPLEMENTS OF HUSBANDRY.]

*Subdivision 1. [EXEMPTION FROM SIZE, WEIGHT, LOAD PROVISIONS.] Except as provided in this section and section 169.82, the provisions of sections 169.80 to 169.88 that govern size, weight, and load do not apply to:*

- (1) a horse-drawn wagon while carrying a load of loose straw or hay;*
- (2) a specialized vehicle resembling a low-slung trailer having a short bed or platform, while transporting one or more implements of husbandry; or*
- (3) an implement of husbandry while being driven or towed at a speed of not more than 25 miles per hour; provided that this exemption applies to an implement of husbandry owned, leased, or under the control of a farmer only while the implement of husbandry is being operated on non-interstate within 75 miles of any farmland: (1) owned, leased, or operated by the farmer and (2) on which the farmer regularly uses the implement of husbandry.*

*Subd. 2. [WEIGHT PER INCH OF TIRE WIDTH.] An implement of husbandry that is not self-propelled and is equipped with pneumatic tires may not be operated on a public highway with a maximum wheel load that exceeds 600 pounds per inch of tire width before August 1, 1996, and 500 pounds per inch of tire width on and after August 1, 1996.*

*Subd. 3. [HITCHES.] A towed implement of husbandry must be equipped with (1) safety chains that meet the requirements of section 169.82, subdivision 3, paragraph (b), (2) a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety, or (3) a hitch pin or other hitching device with a retainer that prevents accidental unhitching.*

Sec. 15. Minnesota Statutes 1992, section 169.82, is amended to read:

#### 169.82 [TRAILER EQUIPMENT.]

**Except as provided in section 169.67, any trailer exceeding a gross weight of 6,000 pounds shall be equipped with brakes adequate to stop and hold such trailer, and which are so constructed that they will so operate whenever such trailer becomes detached from the towing vehicle.**

*Subdivision 1. [CONNECTION TO TOWING VEHICLE.] (a) When one vehicle is towing another the drawbar or other connection shall must be of sufficient strength to pull all the weight being towed thereby, and said.*



(b) The drawbar or other connection shall may not exceed 15 feet from one vehicle to the other except. This paragraph does not apply to the connection between any two vehicles transporting poles, pipe, machinery or other objects of structural nature which cannot readily be dismembered.

Subd. 2. [MARKING.] When one vehicle is towing another and the connection consists of a chain, rope, or cable, there shall be displayed upon such the connection must display a white, red, yellow, or orange flag or cloth not less than 12 inches square.

Subd. 3. [HITCHES; CHAINS.] (a) Every trailer or semitrailer shall must be hitched to the towing motor vehicles furnishing the tractive power for it vehicle by a device approved by the commissioner of public safety as safe and in addition shall.

(b) Every trailer and semitrailer must be equipped with safety chains permanently attached to the trailer except that in cases where the coupling device is a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety such safety chains shall not be required. In towing, such the chains shall must be carried through a ring on the towbar and attached to the towing vehicle, and shall must be of sufficient strength to control the trailer in the event of failure of the towing device.

Sec. 16. Minnesota Statutes 1992, 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) motor vehicles used to alleviate a temporary crisis adversely affecting the safety or well-being of the public;

(2) motor vehicles which travel on interstate highways and carry loads authorized under subdivision 1a;

(3) motor vehicles operating with gross weights authorized under section 169.825, subdivision 11, paragraph (a), clause (3); and

(4) special pulpwood vehicles described in section 169.863.

(d) \$120 for an oversize annual permit to be issued for a period not to exceed 12 consecutive months. Annual permits may be issued for:

(1) mobile cranes;

(2) construction equipment, machinery, and supplies;

(3) manufactured homes;

(4) ~~farm equipment implements of husbandry~~ when the movement is not made according to the provisions of ~~section 169.80, subdivision 1, paragraphs (a) to (f) paragraph (i);~~

(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).

For a vehicle found to exceed the appropriate maximum permitted weight, a cost-per-mile fee of 22 cents per ton, or fraction of a ton, over the permitted maximum weight is imposed in addition to the normal permit fee. Miles must be calculated based on the distance already traveled in the state plus the distance from the point of detection to a transportation loading site or unloading site within the state or to the point of exit from the state.

(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, construction equipment, machinery, and supplies. The fees for the permit are as follows:

Gross Weight (pounds) of vehicle	Annual Permit Fee
90,000 or less	\$200
90,001 - 100,000	\$300
100,001 - 110,000	\$400
110,001 - 120,000	\$500
120,001 - 130,000	\$600
130,001 - 140,000	\$700
140,001 - 145,000	\$800

If the gross weight of the vehicle is more than 145,000 pounds the permit fee is determined under paragraph (e).

(g) For vehicles which exceed the width limitations set forth in section 169.80 by more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a) when the permit is issued while seasonal load restrictions pursuant to section 169.87 are in effect.

(h) \$85 for an annual permit to be issued for a period not to exceed 12 months, for refuse compactor vehicles that carry a gross weight of not more than: 22,000 pounds on a single rear axle; 38,000 pounds on a tandem rear axle; or, subject to section 169.825, subdivision 14, 46,000 pounds on a tridem rear axle. A permit issued for up to 46,000 pounds on a tridem rear axle must limit the gross vehicle weight to not more than 62,000 pounds.

*(i) For vehicles exclusively transporting implements of husbandry, an annual permit fee of \$24. A vehicle operated under a permit authorized by this paragraph may be moved at the discretion of the permit holder without prior route approval by the commissioner if:*

*(1) the total width of the transporting vehicle, including load, does not exceed 14 feet;*

*(2) the vehicle is operated only between sunrise and 30 minutes after sunset, and is not operated at any time after 12 noon on Sundays or holidays;*

*(3) the vehicle is not operated when visibility is impaired by weather, fog, or other conditions that render persons and other vehicles not clearly visible at 500 feet;*

*(4) the vehicle displays at the front and rear of the load or vehicle a pair of flashing amber lights, as provided in section 169.59, subdivision 4, whenever the overall width of the vehicle exceeds 126 inches; and*

*(5) the vehicle is not operated on a trunk highway with a surfaced roadway width of less than 24 feet unless such operation is authorized by the permit.*

*A permit under this paragraph authorizes (1) movements of the permitted vehicle on an interstate highway, and (2) movements of 75 miles or more on other highways.*

Sec. 17. Minnesota Statutes 1992, section 171.13, subdivision 1, is amended to read:

Subdivision 1. [APPLICANTS.] Except as otherwise provided in this section, the commissioner shall examine each applicant for a driver's license by such agency as the commissioner directs. This examination must include a test of applicant's eyesight; ability to read and understand highway signs regulating, warning, and directing traffic; knowledge of traffic laws; knowledge of the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally; knowledge of railroad grade crossing safety; knowledge of slow-moving vehicle safety; an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways, provided, further however, no driver's license shall be denied an applicant on the exclusive grounds that the applicant's eyesight is deficient in color perception. Provided, however, that war veterans operating motor vehicles especially equipped for handicapped persons, shall, if other-

wise entitled to a license, be granted such license. The commissioner shall make provision for giving these examinations either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

Sec. 18. Minnesota Statutes 1992, section 171.13, is amended by adding a subdivision to read:

*Subd. 1e. [SLOW-MOVING VEHICLES.] The commissioner shall include in each examination under subdivision 1 an examination of the applicant's knowledge of highway safety with respect to approaching, following, and passing slow-moving vehicles and the significance of the slow-moving vehicle emblem.*

Sec. 19. [PUBLICATION.]

*The commissioner of public safety shall at the earliest practicable date prepare and publish a compilation of all laws that govern the operation of implements of husbandry on public highways. The commissioner shall, within the department budget, make the publication available to agricultural and other organizations for the purpose of achieving the widest feasible distribution of the publication among farmers, farm implement dealers, and other persons directly affected by these laws.*

Sec. 20. [DRIVER EDUCATION.]

*The commissioner of public safety and the commissioner of education shall take such actions as are necessary to increase significantly the amount of instruction provided in driver education courses in public schools and private driver education schools in highway safety with regard to approaching, following, and passing slow-moving vehicles and the significance of the slow-moving vehicle emblem."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; implements of husbandry; defining implements of husbandry; reducing the maximum speed limit for implements of husbandry to 25 miles per hour; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 169.01, subdivision 55; 169.145; 169.18, subdivision 5; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; and 171.13, subdivision 1, and by adding a subdivision; 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 Agriculture and Rural Development. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 580: A bill for an act relating to local government; providing for the preparation and review of accounts; providing for duties of the state

auditor; providing for the costs of examinations; defining the limits to various types of compensation; providing procedures for the satisfaction of claims; providing procedures for the removal of city managers; limiting certain high risk investments; amending Minnesota Statutes 1992, sections 6.56; 16B.06, subdivision 4; 43A.17, subdivision 9; 340A.602; 375.162, subdivision 2; 375.18, by adding subdivisions; 412.271, subdivision 1, and by adding subdivisions; 412.641, subdivision 1; and 475.66, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 6; 465; and 471.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 21, delete "reasonable" and insert "employee benefits that are also provided for the majority of all other full-time employees of the political subdivision, including"

Page 7, line 11, after "loss" insert "prior to interfund transfers"

Page 9, line 3, after the period, insert "This subdivision does not apply to a home rule charter county for which the county charter provides an alternative method for paying claims made against the county."

Page 9, line 21, after "treasurer," insert "senior fiscal officer,"

Page 11, line 35, after the period, insert "Except as provided in subdivision 3,"

Page 12, after line 1, insert:

"Subd. 3. [EXCEPTIONS TO MAXIMUM ALLOWABLE SEVERANCE PAY FOR A HIGHLY COMPENSATED EMPLOYEE.] *Severance pay for a highly compensated employee may exceed an amount equivalent to six months of pay if:*

(1) *the severance pay benefit is included in an employment contract between the employee and the local unit of government that is in effect on the effective date of this section, and the termination of employment occurs before the expiration date of said contract; or*

(2) *the severance pay is part of an early retirement incentive offer approved by the governing body of the local unit of government and the same early retirement incentive offer is also made available to all other employees of the local unit of government who meet generally defined criteria relative to age or length of service.*

*Nothing in this subdivision shall be deemed to allow total severance payments for a highly compensated employee that exceed the limits established in section 465.72."*

Page 12, line 2, delete "3" and insert "4"

Page 12, line 14, delete "and" and insert "or"

Page 16, delete lines 16 to 22 and insert:

"Subd. 5. (a) *For the purpose of this subdivision the term "broker" means a broker-dealer, broker, or agent of a municipality, who transfers, purchases, sells, or obtains securities for, or on behalf of, a municipality.*

*(b) Prior to completing an initial transaction with a broker, a municipality shall provide to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota Statutes governing the investment of public funds.*

*A broker must acknowledge receipt of the statement of investment restrictions in writing and agree to handle the municipality's account in accordance with these restrictions. A municipality may not enter into a transaction with a broker until the broker has provided this written agreement to the municipality.*

Sec. 20. [EFFECTIVE DATE.]

*Section 19 is effective January 1, 1994."*

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 399: A bill for an act relating to human services; modifying the STRIDE program; requiring a work component; modifying the aid to families with dependent children program; amending Minnesota Statutes 1992, sections 256.73, subdivisions 2, 3a, and 5; 256.736, subdivisions 10, 10a, 14, and 16; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; and 256.74, 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 1992, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) pursuant to section 13.05;
- (2) pursuant to court order;
- (3) pursuant to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers,

upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

(9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system, and to verify receipt of energy assistance for the telephone assistance plan;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential facilities as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person; or

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education coordinating board to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5); or

*(14) data collected by the telephone assistance plan may be disclosed to the department of revenue to conduct an electronic data match to the extent necessary to determine eligibility under section 237.70, subdivision 4a.*

(b) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 2. Minnesota Statutes 1992, section 256.73, subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.] Ownership by an assistance unit of property as follows is a bar to any allowance under sections 256.72 to 256.87:

(1) The value of real property other than the homestead, which when combined with other assets exceeds the limits of paragraph (2), unless the assistance unit is making a good faith effort to sell the nonexcludable real property. The time period for disposal must not exceed nine consecutive months ~~and~~. The assistance unit ~~shall execute~~ *must sign* an agreement to dispose of the property *and* to repay assistance received during the nine months ~~up to that would not have been paid had the property been sold at the beginning of such period, but not to exceed the amount of the net sale proceeds. The payment must be made when the property is sold.~~ *family has five working days from the date it realizes cash from the sale of the property to repay the overpayment. If the property is not sold within the required time or the assistance unit becomes ineligible for any reason the entire amount received during the nine months is an overpayment and subject to recovery*

during the nine-month period, the amount payable under the agreement will not be determined and recovery will not begin until the property is in fact sold. If the property is intentionally sold at less than fair market value or if a good faith effort to sell the property is not being made, the overpayment amount shall be computed using the fair market value determined at the beginning of the nine-month period. For the purposes of this section, "homestead" means the home that is owned by, and is the usual residence of, the child, relative, or other member of the assistance unit together with the surrounding property which is not separated from the home by intervening property owned by others. "Usual residence" includes the home from which the child, relative, or other members of the assistance unit is temporarily absent due to an employability development plan approved by the local human service agency, which includes education, training, or job search within the state but outside of the immediate geographic area. Public rights-of-way, such as roads which run through the surrounding property and separate it from the home, will not affect the exemption of the property; or

(2) Personal property of an equity value in excess of \$1,000 for the entire assistance unit, exclusive of personal property used as the home, one motor vehicle of an equity value not exceeding \$1,500 or the entire equity value of a motor vehicle determined to be necessary for the operation of a self-employment business, one burial plot for each member of the assistance unit, one prepaid burial contract with an equity value of no more than \$1,000 for each member of the assistance unit, clothing and necessary household furniture and equipment and other basic maintenance items essential for daily living, in accordance with rules promulgated by and standards established by the commissioner of human services.

Sec. 3. Minnesota Statutes 1992, section 256.73, subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) on behalf of any person who is receiving supplemental security income under title XVI of the Social Security Act unless permitted by federal regulations;

(2) for any month in which the assistance unit's gross income, without application of deductions or disregards, exceeds 185 percent of the standard of need for a family of the same size and composition; except that the earnings of a dependent child who is a full-time student may be disregarded for six calendar months per calendar year and the earnings of a dependent child who is a full-time student that are derived from the jobs training and partnership act (JTPA) may be disregarded for six calendar months per calendar year. These two earnings disregards cannot be combined to allow more than a total of six months per calendar year when the earned income of a full-time student is derived from participation in a program under the JTPA. If a stepparent's income is taken into account in determining need, the disregards specified in section 256.74, subdivision 1a, shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;

(3) to any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;



(4) on behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account for any month in which, on the last day of the month, the individual is participating in a strike;

(5) on behalf of any individual who is the principal earner in an assistance unit whose eligibility is based on the unemployment of a parent when the principal earner, without good cause, fails or refuses to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements:

Sec. 4. Minnesota Statutes 1992, section 256.73, subdivision 5, is amended to read:

Subd. 5. [AID FOR UNBORN CHILDREN PREGNANT WOMEN.] (a) For the purposes of sections 256.72 to 256.87, assistance payments shall be made ~~during the final three months of pregnancy~~ to a pregnant woman who has with no other children but who otherwise qualifies for assistance except for medical assistance payments which shall be made at the time that pregnancy is confirmed by a physician if the pregnant woman has no other children and otherwise qualifies for assistance as provided in sections 256B.055 and 256B.056 *receiving assistance when it is medically verified that the unborn child is expected to be born in the month the payment is made or within the three-month period following the month of payment. Eligibility must be determined as if the unborn child had been born and was living with her, considering the needs, income, and resources of all individuals in the filing unit. If eligibility exists for this fictional unit, the pregnant woman is eligible and her payment amount is determined based solely on her needs, income, including deemed income, and resources.* No payments shall be made for the needs of the unborn or for any special needs occasioned by the pregnancy except as provided in ~~clause paragraph~~ (b). The commissioner of human services shall promulgate, pursuant to the administrative procedures act, rules to implement this subdivision.

(b) The commissioner may, according to rules, make payments for the purpose of meeting special needs occasioned by or resulting from pregnancy both for a pregnant woman with no other children *receiving assistance* as well as for a pregnant woman receiving assistance as provided in sections 256.72 to 256.87. The special needs payments shall be dependent upon the needs of the pregnant woman and the resources allocated to the county by the commissioner and shall be limited to payments for medically recognized special or supplemental diet needs and the purchase of a crib and necessary clothing for the future needs of the unborn child at birth. ~~The commissioner shall, according to rules, make payments for medically necessary prenatal care of the pregnant woman and the unborn child.~~

Sec. 5. Minnesota Statutes 1992, section 256.736, subdivision 10, is amended to read:

Subd. 10. [COUNTY DUTIES.] (a) To the extent of available state appropriations, county boards shall:

(1) refer all mandatory and eligible volunteer caretakers ~~required to register permitted to participate~~ under subdivision 3 3a to an employment and training service provider for participation in employment and training services;

(2) identify to the employment and training service provider ~~caretakers who~~

fall into the targeted groups the target group of which the referred caretaker is a member;

(3) provide all caretakers with an orientation which meets the requirements in subdivisions 10a and 10b;

(4) work with the employment and training service provider to encourage voluntary participation by caretakers in the targeted target groups;

(5) work with the employment and training service provider to collect data as required by the commissioner;

(6) to the extent permissible under federal law, require all caretakers coming into the AFDC program to attend orientation;

(7) encourage nontargeted nontarget caretakers to develop a plan to obtain self-sufficiency;

(8) notify the commissioner of the caretakers required to participate in employment and training services;

(9) inform appropriate caretakers of opportunities available through the head start program and encourage caretakers to have their children screened for enrollment in the program where appropriate;

(10) provide transportation assistance using available funds to caretakers who participate in employment and training programs;

(11) ensure that orientation, job search, services to custodial parents under the age of 20, educational activities and work experience for AFDC-UP families, and case management services are made available to appropriate caretakers under this section, except that payment for case management services is governed by subdivision 13;

(12) explain in its local service unit plan under section 268.88 how it will ensure that targeted target caretakers determined to be in need of social services are provided with such social services. The plan must specify how the case manager and the county social service workers will ensure delivery of needed services;

(13) to the extent allowed by federal laws and regulations, provide a job search program as defined in subdivision 14 and at least one of the following employment and training services: community work experience program (CWEP) as defined in section 256.737, a community work experience program as defined in section 256.737, grant diversion as defined in section 256.739, and on-the-job training as defined in section 256.738; or. A county may also provide another work and training program approved by the commissioner and the secretary of the United States Department of Health and Human Services. Planning and approval for employment and training services listed in this clause must be obtained through submission of the local service unit plan as specified under section 268.88. Each county is urged to adopt grant diversion as the second program required under this clause. A county is not required to provide a community work experience program if the county agency is successful in placing at least 40 percent of the monthly average of all caretakers who are subject to the job search requirements of subdivision 14 in a grant diversion or on-the-job training program;

(14) prior to participation, provide an assessment of each AFDC recipient who is required or volunteers to participate in an approved employment and

training service. The assessment must include an evaluation of the participant's (i) educational, child care, and other supportive service needs; (ii) skills and prior work experience; and (iii) ability to secure and retain a job which, when wages are added to child support, will support the participant's family. The assessment must also include a review of the results of the early and periodic screening, diagnosis and treatment (EPSDT) screening and preschool screening under chapter 123, if available; the participant's family circumstances; and, in the case of a custodial parent under the age of 18, a review of the effect of a child's development and educational needs on the parent's ability to participate in the program;

(15) develop an employability development plan for each recipient for whom an assessment is required under clause (14) which: (i) reflects the assessment required by clause (14); (ii) takes into consideration the recipient's physical capacity, skills, experience, health and safety, family responsibilities, place of residence, proficiency, child care and other supportive service needs; (iii) is based on available resources and local employment opportunities; (iv) specifies the services to be provided by the employment and training service provider; (v) specifies the activities the recipient will participate in, *including the worksite to which the caretaker will be assigned, if the caretaker is subject to the requirements of section 256.737, subdivision 2*; (vi) specifies necessary supportive services such as child care; (vii) to the extent possible, reflects the preferences of the participant; and (viii) specifies the recipient's long-term employment goal which shall lead to self-sufficiency; and

(16) *obtain the written or oral concurrence of the appropriate exclusive bargaining representatives with respect to job duties covered under collective bargaining agreements to assure that no work assignment under this section or sections 256.737, 256.738, and 256.739 results in: (i) termination, layoff, or reduction of the work hours of an employee for the purpose of hiring an individual under this section or sections 256.737, 256.738, and 256.739; (ii) the hiring of an individual if any other person is on layoff from the same or a substantially equivalent job; (iii) any infringement of the promotional opportunities of any currently employed individual; (iv) the impairment of existing contracts for services or collective bargaining agreements; or (v) except for on-the-job training under section 256.738, a participant filling an established unfilled position vacancy; and*

(17) *assess each caretaker in an AFDC-UP family who is under age 25, has not completed high school or a high school equivalency program, and who would otherwise be required to participate in a work experience placement under section 256.737 to determine if an appropriate secondary education option is available for the caretaker. If an appropriate secondary education option is determined to be available for the caretaker, the caretaker must, in lieu of participating in work experience, enroll in and meet the educational program's participation and attendance requirements: "Secondary education" for this paragraph means high school education or education designed to prepare a person to qualify for a high school equivalency certificate, basic and remedial education, and English as a second language education. A caretaker required to participate in secondary education who, without good cause, fails to participate shall be subject to the provisions of subdivision 4a and the sanction provisions of subdivision 4, clause (6). For purposes of this clause, good cause means the inability to obtain licensed or legal nonlicensed child care services needed to enable the caretaker to attend, inability to obtain transportation needed to attend, illness or incapacity of the caretaker or*

*another member of the household which requires the caretaker to be present in the home, or being employed for more than 30 hours per week.*

(b) Funds available under this subdivision may not be used to assist, promote, or deter union organizing.

(c) A county board may provide other employment and training services that it considers necessary to help caretakers obtain self-sufficiency.

(d) Notwithstanding section 256G.07, when a ~~targeted~~ *target* caretaker relocates to another county to implement the provisions of the caretaker's case management contract or other written employability development plan approved by the county human service agency, its case manager or employment and training service provider, the county that approved the plan is responsible for the costs of case management and other services required to carry out the plan, including employment and training services. The county agency's responsibility for the costs ends when all plan obligations have been met, when the caretaker loses AFDC eligibility for at least 30 days, or when approval of the plan is withdrawn for a reason stated in the plan, whichever occurs first. Responsibility for the costs of child care must be determined under chapter 256H. A county human service agency may pay for the costs of case management, child care, and other services required in an approved employability development plan when the ~~nontargeted~~ *nontarget* caretaker relocates to another county or when a ~~targeted~~ *target* caretaker again becomes eligible for AFDC after having been ineligible for at least 30 days.

Sec. 6. Minnesota Statutes 1992, section 256.736, subdivision 10a, is amended to read:

Subd. 10a. [ORIENTATION.] (a) Each county agency must provide an orientation to all caretakers within its jurisdiction ~~who are determined eligible for AFDC on or after July 1, 1989, and who are required to attend an orientation. The county agency shall require attendance at orientation of all caretakers except in the time limits described in this paragraph:~~

(1) ~~caretakers who are exempt from registration under subdivision 3 within 60 days of being determined eligible for AFDC for caretakers with a continued absence or incapacitated parent basis of eligibility; and or~~

(2) ~~caretakers who are not within 30 days of being determined eligible for AFDC for caretakers with an unemployed parent basis of eligibility.~~

(b) *Caretakers are required to attend an in-person orientation if the caretaker is a member of one of the groups listed in subdivision 3a, paragraph (a), and who are either responsible for the care of an incapacitated person or a dependent child under the age of six or enrolled at least half time in any recognized school, training program, or institution of higher learning unless the caretaker is exempt from registration under subdivision 3 and the caretaker's exemption basis will not expire within 60 days of being determined eligible for AFDC, or the caretaker is enrolled at least half time in any recognized school, training program, or institution of higher learning and the in-person orientation cannot be scheduled at a time that does not interfere with the caretaker's school or training schedule. The county agency shall require attendance at orientation of caretakers described in subdivision 3a, paragraph (b) or (c), if they become the commissioner determines that the groups are eligible for participation in employment and training services.*

(b) ~~Except as provided in paragraph (e);~~ (c) The orientation must consist of a presentation that informs caretakers of:

(1) the identity, location, and phone numbers of employment and training and support services available in the county;

(2) the types and locations of child care services available through the county agency that are accessible to enable a caretaker to participate in educational programs or employment and training services;

(3) the child care resource and referral program designated by the commissioner providing education and assistance to select child care services and a referral to the child care resource and referral when assistance is requested;

(4) the obligations of the county agency and service providers under contract to the county agency;

(5) the rights, responsibilities, and obligations of participants;

(6) the grounds for exemption from mandatory employment and training services or educational requirements;

(7) the consequences for failure to participate in mandatory services or requirements;

(8) the method of entering educational programs or employment and training services available through the county;

(9) the availability and the benefits of the early and periodic, screening, diagnosis and treatment (EPSDT) program and preschool screening under chapter 123;

(10) their eligibility for transition year child care assistance when they lose eligibility for AFDC due to their earnings; ~~and~~

(11) their eligibility for extended medical assistance when they lose eligibility for AFDC due to their earnings; *and*

(12) *the availability and benefits of the Head Start program.*

(e) ~~(d)~~ Orientation must encourage recipients to view AFDC as a temporary program providing grants and services to individuals who set goals and develop strategies for supporting their families without AFDC assistance. The content of the orientation must not imply that a recipient's eligibility for AFDC is time limited. Orientation may be provided through audio-visual methods, but the caretaker must be given an opportunity for face-to-face interaction with staff of the county agency or the entity providing the orientation, and an opportunity to express the desire to participate in educational programs and employment and training services offered through the county agency.

~~(d)~~ (e) County agencies shall not require caretakers to attend orientation for more than three hours during any period of 12 continuous months. The county agency shall also arrange for or provide needed transportation and child care to enable caretakers to attend.

(e) Orientation for caretakers not eligible for participation in employment and training services under the provisions of subdivision 3a, paragraphs (a) and (b), shall present information only on those employment, training, and

support services available to those caretakers, and information on clauses (2), (3), (9), (10), and (11) of paragraph (a) and all of paragraph (e), and may not last more than two hours. The county or, under contract, the county's employment and training service provider shall mail written orientation materials containing the information specified in clause (c), paragraphs (1) to (3) and (8) to (12), to each caretaker exempt from attending an in-person orientation or who has good cause for failure to attend after at least two dates for their orientation have been scheduled. The county or the county's employment and training service provider shall follow up with a phone call, or in writing, within two weeks after mailing the material.

(f) Persons required to attend orientation must be informed of the penalties for failure to attend orientation, support services to enable the person to attend, what constitutes good cause for failure to attend, and rights to appeal. Persons required to attend orientation must be offered a choice of at least two dates for their first scheduled orientation. No person may be sanctioned for failure to attend orientation until after a second failure to attend.

(g) Good cause for failure to attend an in-person orientation exists when a caretaker cannot attend because of:

(1) temporary illness or injury of the caretaker or of a member of the caretaker's family that prevents the caretaker from attending an orientation during the hours when the orientation is offered;

(2) a judicial proceeding that requires the caretaker's presence in court during the hours when orientation is scheduled; or

(3) a nonmedical emergency that prevents the caretaker from attending an orientation during the hours when orientation is offered. "Emergency" for the purposes of this paragraph means a sudden, unexpected occurrence or situation of a serious or urgent nature that requires immediate action.

(h) Caretakers must receive a second orientation only when:

(1) there has been a 30-day break in AFDC eligibility; and

(2) the caretaker has not attended an orientation within the previous 12-month period, excluding the month of reapplication for AFDC.

Sec. 7. Minnesota Statutes 1992, section 256.736, subdivision 14, is amended to read:

Subd. 14. [JOB SEARCH.] (a) The commissioner of human services shall Each county agency must establish and operate a job search program as provided under Public Law Number 100-485 this section. Unless exempt, the principal wage earner in an AFDC-UP assistance unit must be referred to and begin participation in the job search program within 30 days of being determined eligible for AFDC, and must begin participation within four months of being determined eligible. If the principal wage earner is exempt from participation in job search, the other caretaker must be referred to and begin participation in the job search program within 30 days of being determined eligible for AFDC. The principal wage earner or the other caretaker is exempt from job search participation if:

(1) the caretaker is already participating in another approved employment and training service;

(2) the caretaker's employability plan specifies other activities;

- (3) the caretaker is exempt from registration under subdivision 3; or
- (4) the caretaker is unable to secure employment due to inability to communicate in the English language, is participating in an English as a second language course, and is making satisfactory progress towards completion of the course. If an English as a second language course is not available to the caretaker, the caretaker is exempt from participation until a course becomes available (2) the caretaker is under age 25, has not completed a high school diploma or an equivalent program, and is participating in a secondary education program as defined in subdivision 10, paragraph (a), clause (17), which is approved by the employment and training service provider in the employability development plan.

(b) The job search program must provide the following services:

(1) an initial period of up to four consecutive weeks of job search activities for no less than 20 hours per week but not more than 32 hours per week. The employment and training service provider shall specify for each participating caretaker the number of weeks and hours of job search to be conducted and shall report to the county board agency if the caretaker fails to cooperate with the job search requirement; and

(2) an additional period of job search following the first period at the discretion of the employment and training service provider. The total of these two periods of job search may not exceed eight weeks for any 12 consecutive month period beginning with the month of application.

(c) The job search program may provide services to non-AFDC-UP caretakers.

(d) After completion of job search requirements in this section, nonexempt caretakers shall be placed in and must participate in and cooperate with the work experience program under section 256.737, the on-the-job training program under section 256.738, or the grant diversion program under section 256.739. Caretakers must be offered placement in a grant diversion or on-the-job training program, if either such employment is available, before being required to participate in a community work experience program under section 256.737.

Sec. 8. Minnesota Statutes 1992, section 256.736, subdivision 16, is amended to read:

Subd. 16. [ALLOCATION AND USE OF MONEY.] (a) State money appropriated for employment and training services under this section must be allocated to counties as specified in paragraphs (b) to (j).

(b) For purposes of this section subdivision, "targeted caretaker" means a recipient who:

(1) is a custodial parent under the age of 24 who: (i) has not completed a high school education and at the time of application for AFDC is not enrolled in high school or in a high school equivalency program; or (ii) had little or no work experience in the preceding year;

(2) is a member of a family in which the youngest child is within two years of being ineligible for AFDC due to age; or

(3) has received 36 months or more of AFDC over the last 60 months.

(c) One hundred percent of the money appropriated for case management services as described in subdivision 11 must be allocated to counties based on the average number of cases in each county described in clause (1). Money appropriated for employment and training services as described in subdivision 1a, paragraph (d), other than case management services, must be allocated to counties as follows:

(1) Forty percent of the state money must be allocated based on the average number of cases receiving AFDC in the county which either have been open for 36 or more consecutive months or have a caretaker who is under age 24 and who has no high school or general equivalency diploma. The average number of cases must be based on counts of these cases as of March 31, June 30, September 30, and December 31 of the previous year.

(2) Twenty percent of the state money must be allocated based on the average number of cases receiving AFDC in the county which are not counted under clause (1). The average number of cases must be based on counts of cases as of March 31, June 30, September 30, and December 31 of the previous year.

(3) Twenty-five percent of the state money must be allocated based on the average monthly number of assistance units in the county receiving AFDC-UP for the period ending December 31 of the previous year.

(4) Fifteen percent of the state money must be allocated at the discretion of the commissioner based on participation levels for ~~targeted~~ *target* group members in each county.

(d) No more than 15 percent of the money allocated under paragraph (b) and no more than 15 percent of the money allocated under paragraph (c) may be used for administrative activities.

(e) At least 55 percent of the money allocated to counties under paragraph (c) must be used for employment and training services for caretakers in the ~~targeted~~ *target* groups, and up to 45 percent of the money may be used for employment and training services for ~~nontargeted~~ *nontarget* caretakers. One hundred percent of the money allocated to counties for case management services must be used to provide those services to caretakers in the ~~targeted~~ *target* groups.

(f) Money appropriated to cover the nonfederal share of costs for bilingual case management services to refugees for the employment and training programs under this section are allocated to counties based on each county's proportion of the total statewide number of AFDC refugee cases. However, counties with less than one percent of the statewide number of AFDC refugee cases do not receive an allocation.

(g) Counties ~~and~~, the department of jobs and training, *and entities under contract with either the department of jobs and training or the department of human services for provision of Project STRIDE-related services* shall bill the commissioner of human services for any expenditures incurred by the county, the county's employment and training service provider, or the department of jobs and training that may be reimbursed by federal money. The commissioner of human services shall bill the United States Department of Health and Human Services and the United States Department of Agriculture for the reimbursement and appropriate the reimbursed money to the county, the department of jobs and training, or employment and training service provider



that submitted the original bill. The reimbursed money must be used to expand employment and training services.

(h) The commissioner of human services shall review county expenditures of case management and employment and training block grant money at the end of the fourth third quarter of the biennium and each quarter after that, and may reallocate unencumbered or unexpended money allocated under this section to those counties that can demonstrate a need for additional money. Reallocation of funds must be based on the formula set forth in paragraph (a), excluding the counties that have not demonstrated a need for additional funds.

(i) The county agency may continue to provide case management and supportive services to a participant for up to 90 days after the participant loses AFDC eligibility and may continue providing a specific employment and training service for the duration of that service to a participant if funds for the service are obligated or expended prior to the participant losing AFDC eligibility.

(j) *One hundred percent of the money appropriated for an unemployed parent work experience program under section 256.737 must be allocated to counties based on the average monthly number of assistance units in the county receiving AFDC-UP for the period ending December 31 of the previous year.*

Sec. 9. Minnesota Statutes 1992, section 256.736, is amended by adding a subdivision to read:

*Subd. 19. [EVALUATION.] In order to evaluate the services provided under this section, the commissioner may randomly assign no more than 2,500 families to a control group. Families assigned to the control group shall not participate in services under this section, except that families participating in services under this section at the time they are assigned to the control group may continue such participation. Recipients assigned to the control group who are included under subdivision 3a, paragraph (a), shall be guaranteed child care assistance under chapter 256H for an educational plan authorized by the county. Once assigned to the control group, a family must remain in that group for the duration of the evaluation period. The evaluation period shall coincide with the demonstration authorized in section 256.031, subdivision 3.*

Sec. 10. [256.7365] [FEDERAL WAIVER.]

*The commissioner of human services shall make changes in the state plan and seek waivers or demonstration authority needed to minimize the barriers to effective and efficient use of grant diversion under section 256.739 as a method of placing AFDC recipients in suitable employment. The commissioner shall implement the federally approved changes as soon as possible.*

Sec. 11. Minnesota Statutes 1992, section 256.737, subdivision 1, is amended to read:

*Subdivision 1. [ESTABLISHMENT AND PURPOSE.] In order that persons receiving aid under this chapter may be assisted in achieving self-sufficiency by enhancing their employability through meaningful work experience and training and the development of job search skills, the commissioner of human services shall continue the pilot community work experience demonstration programs that were approved by January 1, 1984. The commissioner may establish additional community work experience*

programs in as many counties as necessary to comply with the participation requirements of the Family Support Act of 1988, Public Law Number 100-485. Programs established on or after July 1, 1989, must be operated on a volunteer basis and must be operated according to the Family Support Act of 1988, Public Law Number 100-485. To the degree required by federal law or regulation, each county agency must establish and operate a community work experience program to assist nonexempt caretakers in AFDC-UP households achieve self-sufficiency by enhancing their employability through participation in meaningful work experience and training, the development of job search skills, and the development of marketable job skills. This subdivision does not apply to AFDC recipients participating in the Minnesota family investment program under sections 256.031 to 256.0361.

Sec. 12. Minnesota Statutes 1992, 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, 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 bargaining unit position established as of January 1, 1989 1993. The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Written or oral concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative *within seven days*. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.

Sec. 13. Minnesota Statutes 1992, section 256.737, subdivision 2, is amended to read:

Subd. 2. [PROGRAM REQUIREMENTS.] (a) ~~Programs~~ *Worksites developed* under this section are limited to projects that serve a useful public service such as: health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, *community service, services to aged or disabled citizens, and child care.* To the extent possible, the prior training, skills, and experience of a recipient must be used in making appropriate work experience assignments.

(b) As a condition to placing a person receiving aid to families with dependent children in a program under this subdivision, the county agency shall first provide the recipient the opportunity to ~~participate in the following services:~~

(1) *for* placement in suitable subsidized or unsubsidized employment through participation in job search under section 256.736, subdivision 14; or

(2) *basic educational or vocational or occupational training for an identifiable job opportunity for placement in suitable employment through partic-*

ipation in on-the-job training under section 256.738 or grant diversion under section 256.739, if such employment is available.

(c) A recipient who has completed a caretaker referred to job search under section 256.736, subdivision 14, and who is unable has failed to secure suitable employment, and who is not enrolled in an approved training program may must participate in a community work experience program.

(d) The county agency shall limit the maximum number of hours any participant under this section may work in any month to:

(1) for counties operating an approved mandatory community work experience program as of January 1, 1993, who elect this method for countywide operations, a number equal to the amount of the aid to families with dependent children payable to the family divided by the greater of the federal minimum wage or the applicable state minimum wage; or

(2) for all other counties, a caretaker must participate in any week 20 hours with no less than 16 hours spent participating in a work experience placement and no more than four of the hours spent in alternate activities as described in the caretaker's employability development plan. Placement in a work experience worksite must be based on the assessment required under section 256.736 and the caretaker's employability development plan. Caretakers participating under this clause may be allowed excused absences from the assigned job site of up to eight hours per month. For the purposes of this clause, "excused absence" means absence due to temporary illness or injury of the caretaker or a member of the caretaker's family, the unavailability of licensed child care or transportation needed to participate in the work experience placement, a job interview, or a nonmedical emergency. For purposes of this clause, "emergency" has the meaning given it in section 256.736, subdivision 10a, paragraph (g).

(e) After a participant has been assigned to a position under this section paragraph (d), clause (1), for nine months, the participant may not continue in that assignment unless the maximum number of hours a participant works is no greater than the amount of the aid to families with dependent children payable with respect to the family divided by the higher of (1) the federal minimum wage or the applicable state minimum wage, whichever is greater, or (2) the rate of pay for individuals employed in the same or similar occupations by the same employer at the same site.

(f) After each six months of a recipient's participation in an assignment, and at the conclusion of each assignment under this section, the county agency shall reassess and revise, as appropriate, each participant's employability development plan.

(g) Structured, supervised volunteer work with an agency or organization which is monitored by the county service provider may, with the approval of the commissioner of jobs and training, be used as a work experience placement.

Sec. 14. Minnesota Statutes 1992, section 256.737, is amended by adding a subdivision to read:

Subd. 3. [EXEMPTIONS.] A caretaker is exempt from participation in a work experience placement under this section if the caretaker is exempt from participation in job search under section 256.736, subdivision 14, or the caretaker is suitably employed in a grant diversion or an on-the-job training

placement. Caretakers who, as of October 1, 1993, are participating in an education or training activity approved under a Project STRIDE employability development plan are exempt from participation in a work experience placement until July 1, 1994.

Sec. 15. Minnesota Statutes 1992, section 256.737, is amended by adding a subdivision to read:

*Subd. 4. [GOOD CAUSE.] A caretaker shall have good cause for failure to cooperate if:*

*(1) the worksite participation adversely affects the caretaker's physical or mental health as verified by a physician, licensed or certified psychologist, physical therapist, vocational expert, or by other sound medical evidence; or*

*(2) the caretaker does not possess the skill or knowledge required for the work.*

Sec. 16. Minnesota Statutes 1992, section 256.737, is amended by adding a subdivision to read:

*Subd. 5. [FAILURE TO COMPLY.] A caretaker required to participate under this section who has failed without good cause to participate shall be provided with notices, appeal opportunities, and offered a conciliation conference under the provisions of section 256.736, subdivision 4a, and shall be subject to the sanction provisions of section 256.736, subdivision 4, clause (6).*

Sec. 17. Minnesota Statutes 1992, section 256.737, is amended by adding a subdivision to read:

*Subd. 6. [FEDERAL REQUIREMENTS.] If the Family Support Act of 1988, Public Law Number 100-485, is revised or if federal implementation of that law is revised so that Minnesota is no longer obligated to operate a mandatory work experience program for AFDC-UP families, the commissioner shall operate the work experience program under this section as a volunteer program, and shall utilize the funding authorized for work experience to improve and expand the availability of other employment and training services authorized under this section.*

Sec. 18. Minnesota Statutes 1992, section 256.74, subdivision 1, is amended to read:

*Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for the dependent child shall be determined by the county agency in accordance with rules promulgated by the commissioner and shall be sufficient, when added to all other income and support available to the child, to provide the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law Number 97-35, section 2315, United States Code, title 42, section 602, as amended and federal regulations at Code of Federal Regulations, title 45, section 233. Nonrecurring lump sum income received by an assistance unit AFDC family must be budgeted in the normal retrospective cycle. The number of months of ineligibility is determined by dividing the amount of the lump sum income and all other income, after application of the applicable disregards, by the standard of need standard for the assistance unit family because of receipt of earned or*

unearned lump sum income, the family will be ineligible for the full number of months derived by dividing the sum of the lump sum income and other income by the monthly need standard for a family of that size. An amount Any income remaining after from this calculation is income in the first month following the period of eligibility ineligibility. If the total monthly income including the lump sum income is larger than the standard of need for a single month. The first month of ineligibility is the payment month that corresponds with the budget month in which the lump sum income was received. For purposes of applying the lump sum provision, family includes those persons defined in the Code of Federal Regulations, title 45, section 233.20(a)(3)(ii)(F). A period of ineligibility must be shortened when the standard of need increases and the amount the family would have received also changes, an amount is documented as stolen, an amount is unavailable because a member of the family left the household with that amount and has not returned, an amount is paid by the family during the period of ineligibility to cover a cost that would otherwise qualify for emergency assistance, or the family incurs and pays for medical expenses which would have been covered by medical assistance if eligibility existed. In making its determination the county agency shall disregard the following from family income:

(1) all the earned income of each dependent child applying for AFDC if the child is a full-time student and all of the earned income of each dependent child receiving aid to families with dependent children AFDC who is a full-time student or is a part-time student, and who is not a full-time employee. A student is one who is attending a school, college, or university, or a course of vocational or technical training designed to fit students for gainful employment as well as and includes a participant in the job corps program under the job training and partnership act (JTPA). Also, disregard all the earned income derived from the job training and partnership act (JTPA) for a of each dependent child for applying for or receiving AFDC when the income is derived from a program carried out under JTPA, except that disregard of earned income may not exceed six calendar months per calendar year, together with unearned income derived from the job training and partnership act;

(2) all educational grants and loans;

(3) the first \$90 of each individual's earned income. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) thirty dollars plus one-third of each individual's earned income for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any month, the county welfare agency shall not disregard under this clause any earned income of any person who has: (a) reduced earned income without good cause within 30 days preceding any month in which an assistance payment is made; (b) refused without good cause to accept an offer of suitable employment; (c) left employment or reduced earnings without good cause and applied for assistance so as to be able later to return to employment with the advantage of the income disregard; or (d) failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of human services. Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is

less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment. The disregard of \$30 and one-third of earned income in this clause shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of subclauses (a) to (d) shall be considered as one of the four months. An additional \$30 work incentive must be available for an eight-month period beginning in the month following the last month of the combined \$30 and one-third work incentive. This period must be in effect whether or not the person has earned income or is eligible for AFDC. To again qualify for the earned income disregards under this clause, the individual must not be a recipient of aid for a period of 12 consecutive months. When an assistance unit becomes ineligible for aid due to the fact that these disregards are no longer applied to income, the assistance unit shall be eligible for medical assistance benefits for a 12-month period beginning with the first month of AFDC ineligibility;

(5) an amount equal to the actual expenditures for the care of each dependent child or incapacitated individual living in the same home and receiving aid, not to exceed: (a) \$175 for each individual age two and older, and \$200 for each individual under the age of two, when the family member whose needs are included in the eligibility determination is employed for 30 or more hours per week; or (b) \$174 for each individual age two or older, and \$199 for each individual under the age of two, when the family member whose needs are included in the eligibility determination is not employed throughout the month or when employment is less than 30 hours per week. The dependent care disregard must be applied after all other disregards under this subdivision have been applied;

(6) the first \$50 per assistance unit of the monthly support obligation collected by the support and recovery (IV-D) unit. The first \$50 of periodic support payments collected by the public authority responsible for child support enforcement from a person with a legal obligation to pay support for a member of the assistance unit must be paid to the assistance unit within 15 days after the end of the month in which the collection of the periodic support payments occurred and must be disregarded when determining the amount of assistance. A review of a payment decision under this clause must be requested within 30 days after receiving the notice of collection of assigned support or within 90 days after receiving the notice if good cause can be shown for not making the request within the 30-day limit;

(7) that portion of an insurance settlement earmarked and used to pay medical expenses, funeral and burial costs, or to repair or replace insured property; and

(8) all earned income tax credit payments received by the family as a refund of federal income taxes or made as advance payments by an employer.

Sec. 19. Minnesota Statutes 1992, section 256.78, is amended to read:

256.78 [ASSISTANCE GRANTS RECONSIDERED.]

All assistance granted under sections 256.72 to 256.87 shall be reconsidered as frequently as may be required by the rules of the state agency. After such further investigation as the county agency may deem necessary or the state agency may require, the amount of assistance may be changed or assistance may be entirely withdrawn if the state or county agency find that the child's circumstances have altered sufficiently to warrant such action. The period of ineligibility for AFDC which results when an assistance unit receives lump sum income must be reduced when:

(1) the assistance unit's standard of need increases due to changes in state law or due to changes in the size or composition of the assistance unit, so that the amount of aid the assistance unit would have received would have increased had it not become ineligible;

(2) the lump sum income, or a portion of it becomes unavailable to the assistance unit due to expenditures to avoid a life-threatening circumstance, theft, or dissipation which is beyond the family's control by a member of the family who is no longer part of the assistance unit when the lump sum income is not used to meet the needs of members of the assistance unit; or

(3) the assistance unit incurs and pays medical expenses for care and services specified in sections 256B.02, subdivision 8, and 256B.0625.

The county agency may for cause at any time revoke, modify, or suspend any order for assistance previously made. When assistance is thus revoked, modified, or suspended the county agency shall at once report to the state agency such decision together with supporting evidence required by the rules of the state agency. All such decisions shall be subject to appeal and review by the state agency as provided in section 256.045.

Sec. 20. Minnesota Statutes 1992, section 270B.14, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURE TO COMMISSIONER OF HUMAN SERVICES.] (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) On the request of the commissioner of human services, the commissioner shall disclose property tax refund information to the extent necessary to determine eligibility for the telephone assistance plan under section 237.70, subdivision 4a.

Sec. 21. [EFFECTIVE DATE.]

*Sections 1 to 4, 16, and 17 are effective July 1, 1993.*

*Sections 5 to 15 are effective October 1, 1993."*

Delete the title and insert:

"A bill for an act relating to human services; modifying the STRIDE program; requiring a work component; modifying the aid to families with dependent children program; amending Minnesota Statutes 1992, sections 13.46, subdivision 2; 256.73, subdivisions 2, 3a, and 5; 256.736, subdivisions 10, 10a, 14, 16, and by adding a subdivision; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; 256.74, subdivision 1; 256.78; and 270B.14, subdivision 1; 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 Judiciary. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1161: A bill for an act relating to crime; expanding definition of domestic abuse to include terroristic threats; allowing child abuse interviews to be conducted at a designated location; amending Minnesota Statutes 1992, sections 518B.01, subdivision 2; and 626.556, subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, after line 24, insert:

"Sec. 3. [EFFECTIVE DATE.]

*Section 2 is effective the day following final enactment."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 175: A bill for an act relating to crimes; creating a felony level offense for repeat fifth-degree assault offenders; amending Minnesota Statutes 1992, section 609.224, subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 12 and 19, after "609.2231" insert ", 609.342 to 609.345,"

Page 2, line 9, after "609.2231" insert ", 609.342 to 609.345,"

Page 2, line 18, delete "Sec. 3." and insert "Sec. 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 75: A bill for an act relating to crime; providing criminal penalties for a parent, guardian, or caretaker who abandons a child under ten years of



age; amending Minnesota Statutes 1992, section 609.38; 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 1992, section 609.378, subdivision 1, is amended to read:

Subdivision 1. [PERSONS GUILTY OF NEGLIGENCE OR ENDANGERMENT.] ~~The following people are guilty of neglect or endangerment 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.~~ (a) [NEGLECT.] (1) A parent, legal guardian, or caretaker who willfully deprives a child of necessary food, clothing, shelter, health care, or supervision appropriate to the child's age, when the parent, guardian, or caretaker is reasonably able to make the necessary provisions and the deprivation substantially harms or is likely to substantially harm the child's physical, mental, or emotional health is guilty of neglect 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 deprivation results in substantial harm to the child's physical, mental, or emotional health, the 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 a parent, guardian, or caretaker 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, this treatment or care is “health care,” for purposes of this clause.

(2) A parent, legal guardian, or caretaker who knowingly permits the continuing physical or sexual abuse of a child is guilty of neglect 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.

(b) [ENDANGERMENT.] A parent, legal guardian, or caretaker who endangers the child's person or health by:

(1) intentionally causing causes or permitting permits a child to be placed in a situation likely to substantially harm the child's physical or, mental, or emotional health or cause the child's death; or

(2) knowingly causing causes or permitting permits the child to be present where any person is selling or possessing a controlled substance, as defined in section 152.01, subdivision 4, in violation of section 152.021, 152.022, 152.023, or 152.024; is guilty of child endangerment 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 endangerment results in substantial harm to the child's physical, mental, or emotional health, the 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.~~

~~This paragraph~~ Clause (1) does not prevent a parent, legal guardian, or caretaker from causing or permitting a child to engage in activities that are appropriate to the child's age, stage of development, and experience, or from selecting health care as defined in subdivision 1, paragraph (a).

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective August 1, 1993, and applies to crimes occurring on or after that date."*

Delete the title and insert:

"A bill for an act relating to crime; eliminating need to show a child was substantially harmed by neglect; imposing a felony for neglect or endangerment that substantially harms a child's physical, mental, or emotional health; amending Minnesota Statutes 1992, section 609.378, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 781: A bill for an act relating to human services; mental health; extending an exemption for case manager qualifications; changing a definition of mental illness; changing requirements for specialized residential treatment services; allowing additional flexibility in use of community residential treatment funding; delaying required rules revision; amending Minnesota Statutes 1992, sections 245.462, subdivisions 4 and 20; 245.484; 245.4871, subdivision 4; 245.4882, subdivision 5; 245.73, subdivisions 2, 3, and by adding a subdivision; and Laws 1991, chapter 292, article 6, section 54; repealing Minnesota Statutes 1992, sections 245.711; and 245.712.

Reports the same back with the recommendation that the bill be amended as follows:

Page 7, line 30, before the period, insert "*if the county requests such a transfer and if the commissioner determines the transfer will help adults with mental illness to remain and function in their own communities*"

Page 8, after line 4, insert:

"Sec. 10. [INTEGRATED ADULT MENTAL HEALTH FUND.]

*Subdivision 1. [STATEWIDE TASK FORCE.] The commissioner of human services shall convene a task force to study the establishment of an integrated adult mental health fund. The task force shall consist of the commissioners of health, jobs and training, corrections, and commerce, the director of the housing finance agency, two members of the house of representatives, and two members of the senate. The task force shall also include persons diagnosed with mental illness, family members of persons diagnosed with mental illness, mental health professionals, county social services personnel, public and private service providers, advocates for the mentally ill, and representatives of the state advisory council established under Minnesota Statutes, section 245.697, and of the local advisory council established under Minnesota Statutes, section 245.466, subdivision 5. The task force shall examine all possible county, state, and federal sources of funds for adult mental health with a view to designing an integrated adult mental health fund, improving methods of coordinating services and maximizing all funding sources and community support services, and increasing federal funding. Programs to be examined shall include, but not be limited to, the following: medical assistance, title XX social services programs, jobs and training programs, corrections programs, and housing programs. The task force may consult with experts in the field, as necessary. The task force shall make a preliminary report and recommendations on coordination of funding sources by January 1, 1994, to facilitate the development of local protocols and procedures under*

*subdivision 2. The task force shall submit a final report to the legislature by January 1, 1995, with its findings and recommendations. Once this report has been submitted, the task force will expire.*

*Subd. 2. [DEVELOPMENT OF LOCAL PROTOCOLS AND PROCEDURES:] (a) By January 1, 1994, each local adult mental health advisory council established under Minnesota Statutes, section 245.466, subdivision 5, may establish a task force to develop recommended protocols and procedures that will ensure that the planning, case management, and delivery of services for adults with severe mental illness are coordinated and make the most efficient and cost-effective use of available funding. The task force must include, at a minimum, representatives of county medical assistance and mental health staff. The protocols and procedures must be designed to:*

*(1) ensure that services to adults are driven by the adult's needs, rather than by the availability or source of funding for services;*

*(2) ensure that planning for services, case management, service delivery, and payment for services involves coordination of all affected agencies, providers, and funding sources; and*

*(3) maximize available funding by making full use of all available funding, including medical assistance.*

*(b) By June 1, 1994, each council may make recommendations to the statewide task force established under subdivision 1 regarding the feasibility and desirability of methods of consolidating or pooling funding sources to ensure that services are tailored to the specific needs of each adult and to allow greater flexibility in paying for services.*

*(c) By June 1, 1994, each local advisory council may report to the commissioner of human services the council's findings and the recommended protocols and procedures. The council may also recommend legislative changes or rule changes that will improve local coordination and further maximize available funding.*

*Subd. 3. [FINAL REPORT.] By February 15, 1995, the commissioner of human services shall provide a report to the legislature that describes the reports and recommendations of the statewide task force under subdivision 1 and of the local advisory councils under subdivision 2, and provides the commissioner's recommendations for legislation or other needed changes."*

Page 8, line 5, delete "10" and insert "11"

Page 8, line 8, delete "11" and insert "12"

Page 8, line 9, delete "Section 5 is" and insert "Sections 5 and 10 are"

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "creating a task force to study the establishment of an integrated adult mental health fund;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was re-referred

S.F. No. 1102: A bill for an act relating to health; modifying provisions relating to infectious waste; amending Minnesota Statutes 1992, sections

116.76, subdivision 14; 116.78, subdivisions 4 and 7; 116.79, subdivisions 1 and 4; 116.80, subdivisions 1 and 2; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83, subdivisions 1 and 3; repealing Minnesota Statutes 1992, sections 116.76, subdivision 7; 116.79, subdivision 3; 116.81, subdivision 2; and 116.83, subdivision 2; Minnesota Rules, parts 4622.0100; 4622.0300; 4622.0400; 4622.0600; 4622.0700, subparts 10 and 12; 4622.1000; 4622.1050; 4622.1100; 4622.1150; and 4622.1200.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, lines 31 to 33, delete the new language

Page 6, line 27, after "12;" insert "4622.0900;"

Amend the title as follows:

Page 1, line 12, after "12;" insert "4622.0900;"

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1141: A bill for an act relating to cities; allowing the use of self-insurance funds or pools to satisfy statutory bond requirements; amending Minnesota Statutes 1992, section 471.981, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1159: A bill for an act relating to redevelopment; expanding eminent domain powers for cities of the first class; clarifying tax increment and neighborhood revitalization expenditure limitations; amending Minnesota statutes 1992, sections 469.012, subdivision 1; and 469.1831, subdivision 4.

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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 726: A bill for an act relating to metropolitan government; exempting regional park properties from taxation; providing for metropolitan council review of special assessments on regional park properties; proposing coding for new law in Minnesota Statutes, chapter 473.

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. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 612: A bill for an act relating to consumers; requiring certain disclosures when consumer reports are used for employment purposes; providing for access to consumer reports; amending Minnesota Statutes 1992, section 13C.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13C; repealing Minnesota Statutes 1992, section 13C.01, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after "for" insert ":

(1)"

Page 1, line 21, delete the colon

Page 1, line 22, delete everything before "credit"

Page 2, line 21, delete "employment" and insert "hiring, compensation"

Page 2, line 22, delete "or" and delete "as an employee" and insert " , or with respect to other terms and conditions of employment"

Page 3, lines 26 and 27, delete "made or requested" and insert "obtained or caused to be prepared"

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was re-referred

S.F. No. 439: A bill for an act relating to economic and social 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 be amended as follows:

Page 3, line 3, delete "technical assistance and"

Page 3, lines 4 and 5, delete "state agencies, local governments, private organizations, and"

Page 3, line 6, delete "shall" and insert "may"

Page 3, line 7, delete the third "and" and insert a period

Page 3, delete lines 8 to 10

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 225: A bill for an act relating to worker's compensation; regulating eligibility for assigned risk plan coverage; amending Minnesota Statutes 1992, section 79.252, subdivision 1.

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 referred

S.F. No. 924: A bill for an act relating to taxation; sales and use; clarifying the exemption for certain capital equipment; amending Minnesota Statutes 1992, section 297A.01, subdivision 16.

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. 233 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.
233	331				

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. 399 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.
399	578				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 399 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 399 and insert the language after the enacting clause of S.F. No. 578, the first engrossment; further, delete the title of H.F. No. 399 and insert the title of S.F. No. 578, the first engrossment.

And when so amended H.F. No. 399 will be identical to S.F. No. 578, and further recommends that H.F. No. 399 be given its second reading and substituted for S.F. No. 578, 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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 820: A bill for an act relating to tax increment financing; providing for manufacturing districts; exempting manufacturing districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving increment; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivisions 4, 9, and by adding subdivisions; 469.175, subdivisions 1, 3, and by adding a subdivision; 469.176, subdivision 1; 469.1763, by adding a subdivision; and 469.177, subdivisions 1 and 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, delete line 19 and insert "*district to the county board of the county in which*"

Page 6, line 20, before the period, insert "*is located*"

Page 6, line 25, delete "*commissioner*" and insert "*board*"

Page 6, line 26, delete "*commissioner's*" and insert "*board's*"

Page 8, after line 8, insert:

*"(6) in the case of a manufacturing district, that the use of tax increment financing is necessary either to retain a business that will expand within the municipality or to induce a business to relocate to the municipality from another state."*

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1111: A bill for an act relating to tax increment financing; exempting redevelopment districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving first increment; changing certain limits on expenditures for redevelopment and renewal and renovation districts; changing the maximum duration of redevelopment districts; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivision 4; 469.175, subdivision 1, and by adding a subdivision; 469.176, subdivision 1; 469.1763, by adding a subdivision; and 469.177, subdivisions 1 and 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 24, delete "*, exceeds*" and insert "*is less than*"

Page 3, line 31, strike "*amount by which*" and insert "*sum of the positive differences for all parcels where*" and delete "*sum of*"

Page 3, line 32, reinstate the stricken "capacity" and delete the new language and after "a" insert "*parcel in a*"

Page 3, line 33, delete "*sum of the*" and reinstate the stricken "capacity"

Page 3, line 34, delete "*capacities of each*" and insert "*of a*"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 453: A bill for an act relating to local government; establishing a county option for sales of tax-forfeited lands; requiring reimbursement to county for administrative expenses of special assessments; modifying date for submission of rental statements by housing and redevelopment authority; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; 429.061, by adding a subdivision; and 469.040, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "*may select another means of sale*" and insert "*public auction*"

Page 1, delete line 23 and insert "*and thereafter. The county auditor shall sell any remaining parcels to anyone*"

Page 1, line 24, reinstate the stricken language and delete the period

Page 2, line 25, before "A" insert "*Notwithstanding any general or special law to the contrary,*"

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 321: A bill for an act relating to crime victims; providing priority for payment of restitution obligations under the revenue recapture act; authorizing collection of restitution from inmate wages when the restitution is court ordered as a sanction for the conviction of an offense which is not the offense of commitment; authorizing the use of forfeited bail to pay delinquent restitution obligations; amending Minnesota Statutes 1992, sections 270A.10; 243.23, subdivision 3; 485.018, subdivision 5; and 611A.04, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 15; delete "*court*" and after "*ordered*" insert "*by the court*"

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 Crime Prevention, to which was referred



S.F. No. 1060: A bill for an act relating to crime; defining prior conviction for the purpose of sentencing penalty enhancement for assault in the fifth degree; amending Minnesota Statutes 1992, section 609.224, 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 1992, section 609.13, is amended by adding a subdivision to read:

*Subd. 3. [MISDEMEANORS.] If a defendant is convicted of a misdemeanor and is sentenced, or if the imposition of sentence is stayed, and the defendant is thereafter discharged without sentence, the conviction is deemed to be for a misdemeanor for purposes of determining the penalty for a subsequent offense.”*

Delete the title and insert:

“A bill for an act relating to crime; sentencing; clarifying that a misdemeanor conviction in which the court stays imposition of sentence is nevertheless counted as a misdemeanor for purposes of determining the penalty for a subsequent offense; amending Minnesota Statutes 1992, section 609.13, by adding a subdivision.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1171: A bill for an act relating to crime; creating a commission on nonfelony enforcement to review the proportionality and enforcement of petty misdemeanor, misdemeanor, and gross misdemeanor offenses; requiring a report.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 5 to 23 and insert:

“*Subd. 3. [MEMBERSHIP.] The commission consists of:*

*(1) three senators, no more than two of whom are from the same political party, appointed by the senate subcommittee on committees of the committee on rules and administration and three members of the house of representatives, no more than two of whom are from the same political party, appointed by the speaker;*

*(2) two representatives from each of the following groups appointed by the chairs of the senate committee on crime prevention and the house judiciary committee:*

*(i) crime victim advocates;*

*(ii) county attorneys;*

*(iii) city attorneys;*

*(iv) professors of law with expertise in criminal justice;*

- (v) district court judges;
- (vi) criminal defense attorneys; and
- (vii) probation officers;

(3) four law enforcement officials, including one municipal law enforcement official, one county law enforcement official, one conservation officer, and one member of the state patrol, appointed by the chairs of the senate committee on crime prevention and the house judiciary committee; and

(4) the state court administrator, who shall chair the commission.”

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 693: A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4, and by adding a subdivision; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivisions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 742: A bill for an act relating to insurance; no-fault auto; excluding

certain vehicles from the right of indemnity granted by the no-fault act; amending Minnesota Statutes 1992, section 65B.53, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1992, section 65B.47, subdivision 1a, is amended 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; or
- (5) a motor vehicle used in the for-hire transportation of passengers.”

Page 1, delete lines 22 and 23 and insert “listed in section 65B.47, subdivision 1a.”

Page 1, line 25, delete “Section 1 is” and insert “Sections 1 and 2 are” and delete “applies” and insert “apply”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete “section” and insert “sections 65B.47, subdivision 1a; and”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 867: A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; increasing penalty for falsely reporting crime; amending Minnesota Statutes 1992, section 609.505; proposing coding for new law in Minnesota Statutes, chapter 168A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

“Section 1. [168A.39] [DEFINITIONS.]

For the purposes of this act “motor vehicle” is defined under section 65B.43, subdivision 2.”

Page 1, line 19, after the period, insert “Four of the initial appointments by

*the governor to the board shall be for two-year terms. Three of the initial appointments shall be for one-year terms. After the initial appointments are completed, further appointments to the board shall be for two years."*

Page 1, after line 21, insert:

*"(1) develop and sponsor the implementation of statewide plans, programs, and strategies to combat automobile theft, improve the administration of the automobile theft laws, and provide a forum for identification of critical problems for those persons dealing with automobile theft;*

*(2) coordinate the development, adoption, and implementation of plans, programs, and strategies relating to interagency and intergovernmental cooperation with respect to automobile theft enforcement;*

*(3) audit at its own discretion the plans and programs that it has funded in whole or in part in order to evaluate the effectiveness of the plans and programs, and withdraw funding should the authority determine that a plan or program is ineffective or is no longer in need of further financial support from the fund;"*

Page 1, line 22, delete "(1)" and insert "(4)"

Page 2, line 3, delete "(2)" and insert "(5)"

Page 2, line 32, after "per" insert "motor"

Page 2, line 34, after "insurance" insert "providing comprehensive insurance coverage"

Page 3, lines 23 and 26, delete "Section 1" and insert "Section 2"

Page 3, line 25, delete "2" and insert "3"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1129: A bill for an act relating to financial institutions; regulating institutions, deposits, rates and charges, enforcement provisions; modifying the definition of insurance premium finance licensee; amending Minnesota Statutes 1992, sections 45.025, by adding a subdivision; 46.044; 46.048, subdivision 1; 46.09; 47.0156; 47.096; 47.20, subdivision 4a; 47.52; 47.54, subdivision 4; 47.55, subdivision 1; 47.56; 48.04; 48.05; 48.09; 48.194; 48.24, subdivisions 1, 7, and 8; 48.61, subdivisions 2 and 4; 49.35; 49.36, subdivisions 1 and 4; 51A.02, subdivision 43; 52.04, subdivision 1, and by adding a subdivision; 52.12; 53.03, subdivision 5; 53.04, by adding a subdivision; 53.09, by adding a subdivision; 56.10; 56.131, subdivision 1; 56.155, subdivision 1; 59A.02, subdivision 3; 82B.03, subdivision 2; 300.20, subdivision 2; 300.21; 336.4-104; proposing coding for new law in Minnesota Statutes, chapter 56; repealing Minnesota Statutes 1992, sections 46.048, subdivision 2; and 48.24, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, after line 25, insert:

*“(c) The maximum interest rate that can be charged on a conventional loan or a contract for deed, with a duration of ten years or less, for the purchase of real estate defined in section 83.20, subdivision 13, shall be three percentage points above the index provided in paragraph (a) or 15.75 percent per year, whichever is less. This paragraph is effective August 1, 1992.”*

Page 6, line 26, delete “(c)” and insert “(d)”

Page 7, line 29, delete “(d)” and insert “(e)”

Page 29, delete section 35 and insert:

“Sec. 35. Minnesota Statutes 1992, section 59A.06, subdivision 3, is amended to read:

Subd. 3. The commissioner may at any time make an examination of the affairs, business, office, and records of each licensee. Each licensee shall pay to the commissioner the actual costs of examination as well as amounts required under section 46.131, and the commissioner may maintain an action for the recovery of such costs in any court of competent jurisdiction. *This section shall not apply to a licensee in the business of insurance premium financing exclusively financing premiums for business, agricultural, or corporate purposes.*”

Page 33, line 24, delete “32” and insert “35”

Amend the title as follows:

Page 1, line 16, delete “59A.02” and insert “59A.06”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62J.34, subdivision 2; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484,

subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 10, line 2, delete "STANDARD BENEFIT SET" and insert "PURPOSE"

Page 10, delete lines 3 to 28 and insert:

*"The legislature finds that previous cost containment efforts have focused on reducing benefits and services, eliminating access to certain provider groups, and otherwise reducing the level of care available. Under a system of overall spending controls, these cost containment approaches will, in the absence of controls on cost shifting, shift costs from the payor to the consumer, to government programs, and to providers in the form of uncompensated care. The legislature further finds that the integrated service network benefit package should be designed to promote coordinated, cost-effective delivery of all health services an enrollee needs without cost shifting. The legislature further finds that affordability of health coverage is a high priority and that lower cost coverage options should be made available through the use of copayments, coinsurance, and deductibles to reduce premium costs rather than through the exclusion of services or providers.*

**Sec. 9. [62N.075] [COVERED SERVICES.]**

*(a) An integrated service network must provide to each person enrolled a comprehensive set of appropriate and necessary health services. For purposes of this chapter, "appropriate and necessary" means services needed to maintain the enrollee in good health including as a minimum, but not limited to, emergency care, inpatient hospital and physician care, outpatient health services, and preventative health services. The commissioner may modify this definition to reflect changes in community standards, development of practice parameters, new technology assessments, and other medical innovations. These services must be delivered by authorized practitioners acting within their scope of practice. An integrated service network is not responsible for health services that are not appropriate and necessary.*

*(b) A network may define benefit levels through the use of consumer cost sharing but remains financially accountable for costs of the full set of comprehensive health services required.*

*(c) A network may offer any Medicare supplement, Medicare select, or other Medicare-related product otherwise permitted for any type of health plan in this state. Each Medicare-related product may be offered only in full compliance with the requirements in chapters 62A, 62D, and 62E that apply to that category of product.*

(d) Networks must comply with all continuation and conversion of coverage requirements applicable to health maintenance organizations under state or federal law.

(e) Networks must comply with sections 62A.047, 62A.27, and any other coverage of newborn infants, dependent children who do not reside with a covered person, handicapped children and dependents, and adopted children. A network providing dependent coverage must comply with section 62A.302.

(f) Networks must comply with the equal access requirements of section 62A.15, subdivision 2."

Page 10, line 31, delete "needed" and insert "comprehensive health"

Page 10, line 33, delete everything after the period

Page 10, delete lines 34 to 36

Page 11, delete line 1

Page 11, line 3, delete "needed" and insert "appropriate and necessary health"

Page 11, delete section 10 and insert:

"Sec. 11. [62N.085] [ESTABLISHMENT OF STANDARDIZED BENEFIT PLANS.]

*The commissioner of health shall adopt emergency and permanent rules to establish not more than five standardized benefit plans which must be offered by integrated service networks. The plans must comply with the requirements of sections 62N.07 to 62N.08 and the other requirements of this chapter. The plans must encompass a range of cost sharing options from (1) lower premium costs combined with higher enrollee cost sharing, to (2) higher premium costs combined with lower enrollee cost sharing.*

Sec. 12. [62N.086] [ADDITIONAL BENEFIT OPTIONS.]

*The commissioner of health shall adopt emergency and permanent rules to establish not more than three standardized benefit riders which may be offered by integrated service networks. An integrated service network may not provide benefit options other than the standard benefit package and one or more of the standardized riders.*

Sec. 13. [62N.087] [COST SHARING.]

(a) A network may define benefit levels through the use of consumer cost sharing. For the purposes of this chapter, "consumer cost sharing" means copayments, deductibles, coinsurance, and other out-of-pocket expenses paid by the individual consumer of health care services.

(b) The following principles apply to cost sharing in an integrated service network:

(1) consumers must have a voice in decisions regarding cost sharing, and the process for establishing consumer cost sharing should have consumer representation and input;

(2) consumer cost sharing must be administratively feasible and consistent with efforts to reduce the overall administrative burden of the health care system;

(3) cost sharing must be based on income and an enrollee's ability to pay for services and should not create a barrier to access to appropriate and effective services;

(4) cost sharing must be capped at a predetermined annual limit to protect individuals and families from financial catastrophe and to protect individuals with substantial health care needs;

(5) child health supervision services, immunizations, prenatal care, and other prevention services must not be subjected to cost sharing; and

(6) additional requirements for networks should be established to assist enrollees for whom an inducement in addition to the elimination of cost sharing is necessary in order to encourage them to use cost-effective preventive services. These requirements may include the provision of educational information, assistance or guidance, and opportunities for responsible decision making by enrollees that minimize potential out-of-pocket costs."

Page 28, line 2, delete "26" and insert "29"

Renumber the sections of article 1 in sequence

Page 28, line 24, delete "RULES" and insert "IMPLEMENTATION"

Page 28, line 25, after "(a)" insert "By January 1, 1994,"

Page 28, line 26, delete everything after "shall"

Page 28, delete lines 27 and 28

Page 28, line 29, delete everything before the period and insert "report to the legislature recommendations for the design and implementation of the all-payor system. The commissioner may use a consultant or other technical assistance to develop a design for the all-payor system" and delete "commissioner" and insert "commissioner's recommendations" and delete "in"

Page 28, line 30, delete "the rules"

Page 29, delete lines 24 to 28 and insert:

"(b) On July 1, 1994, the regulated all-payor system shall begin to be phased in with full implementation by July 1, 1996. During the transition period, all premium rates and provider fees shall be set in accordance with sections 3 and 4."

Page 29, delete section 3 and insert:

"Sec. 3. [62O.04] [PROVIDER PRICE RESTRAINTS.]

Subdivision 1. [RESTRAINT.] No health care provider, as defined in section 62J.03, subdivision 8, shall on or after March 3, 1993, increase the price or other charge that it charges for any health care service provided to a Minnesota resident except as permitted under this section. This section does not apply to health care services provided through integrated service networks.

Subd. 2. [CERTAIN INCREASES PERMITTED.] (a) On and after January 1, 1994, a health care provider as defined in section 62J.03, subdivision 8, may increase any price or other charge by no more than a percentage determined by adding five percentage points to the percentage change in the regional consumer price index for urban consumers for the most



recent 12-month period for which that index is available as of November 1, 1993. The commissioner of health shall determine, announce, and publish in the State Register, no later than December 1, 1993, the percentage increase permitted under this paragraph. To determine the amount of the maximum permitted increase in a price or charge, the percentage determined under this paragraph is applied to the price or charge used as of January 1, 1993.

(b) On or after January 1, 1995, an increase in a price or charge is permitted in addition to the increase permitted under paragraph (a). The permitted maximum increase is determined as under paragraph (a), except that the percentage is multiplied by .9 and is applied to the price or charge used as of January 1, 1994.

#### Sec. 4. [62O.05] [HEALTH CARRIER PRICE RESTRAINTS.]

Subdivision 1. [RESTRAINT.] No health carrier, as defined in section 62A.011, shall increase the premiums, subscriber charges, enrollee fees, or similar charges for its health plans on or after March 3, 1993, so as to increase its total revenues per Minnesota resident covered by its health plans, except as permitted under this section. This subdivision does not prohibit an increase in the charge for a particular health plan, so long as the health carrier's aggregate revenues per covered Minnesota resident for all of its health plans do not increase. This section does not apply to integrated service networks.

Subd. 2. [CERTAIN INCREASES PERMITTED.] A health carrier may increase its charges on and after January 1, 1994, and on and after January 1, 1995, so as to increase its revenues per covered Minnesota resident, to the extent permitted under subdivision 4.

Subd. 3. [ENFORCEMENT.] The commissioners of health and commerce shall enforce this section with respect to the health carriers that each commissioner respectively regulates. Each commissioner has under this section all enforcement and rulemaking authority that the commissioner otherwise has with respect to the health carrier.

Subd. 4. [CERTAIN INCREASES PERMITTED.] Any increased charges under subdivision 2 must be approved in advance by the relevant commissioner under subdivision 3. The relevant commissioner shall disapprove any requested increase in revenues per covered person, unless the health carrier provides actuarial analysis establishing, to the satisfaction of the commissioner, that the health carrier is fully passing on to its customers the health care provider price restraints provided under section 3. An increase in revenues permitted under subdivision 2 and this subdivision must not exceed the percentages provided under section 3 for health care providers. The commissioner may consider and take into account substantial changes in a health carrier's types of health plans and types of persons covered if necessary to prevent evasion of this section.

Subd. 5. [NEW PRODUCTS.] No health carrier may offer or issue a new health plan form or certificate form unless the health carrier has provided the relevant commissioner with actuarial analysis establishing, to the satisfaction of the commissioner, that the proposed charges or method of determining charges takes account of the price restraints on health care providers under section 3. This subdivision applies, without limitation, to products sold in the small employer market under chapter 62L."

Page 30, line 8, delete "4" and insert "5"

Renumber the sections of article 2 in sequence

Page 41, line 15, before "The" insert "By January 1, 1995,"

Page 41, delete lines 16 to 18 and insert "the legislature and make recommendations on adjustments to that cost containment plan that should be made due to cost shifting."

Page 42, line 1, delete "costs and prices by at least ten percent per year" and insert "revenues"

Page 42, line 2, delete "they would otherwise expect to experience" and insert "limits established in this act"

Page 42, lines 16 and 26, delete "costs and prices" and insert "revenues"

Page 42, after line 33, insert:

"Subd. 2. [FALSE ADVERTISING.] A group purchaser or provider who makes a commitment under subdivision 1 and uses that commitment in any advertisement or in any other way makes that information available to the public is subject to section 325F.67 if the group purchaser or provider knowingly violates the commitment."

Page 42, line 34, delete "2" and insert "3"

Page 43, line 2, delete "3" and insert "4"

Page 43, line 3, delete "information on participation by" and insert "a list of the"

Page 43, line 4, after "providers" insert "who agree to participate" and after the period, insert "The commissioner may audit a group purchaser or provider or take other means necessary to determine whether or not that group purchaser or provider met, exceeded, or failed to meet a commitment made under subdivision 1."

Page 43, line 15, delete "4" and insert "5"

Page 43, line 18, delete "1994" and insert "1995"

Page 49, line 17, delete the new language

Page 50, line 3, delete "or the practice parameter advisory committee"

Pages 50 and 51, delete section 2

Renumber the sections of article 6 in sequence

Page 58, after line 4, insert:

"Sec. 4. Minnesota Statutes 1992, section 62J.05, is amended by adding a subdivision to read:

Subd. 9. [REPEALER.] This section is repealed effective July 1, 1996."

Page 80, after line 25, insert:

"Sec. 24. [UNIVERSAL COVERAGE PLAN.]

The health care commission shall develop and submit to the legislature and the governor by December 15, 1993, a comprehensive plan that will lead to

*universal health coverage for all Minnesotans by January 1, 1997. The plan must include an implementation plan and time schedule for the coordinated phasing in of health insurance reforms, changes or expansions in government programs, and other actions recommended by the commission. The plan must also include annual targets for expanding coverage to uninsured persons and populations and periodic evaluations of the progress being made toward achieving annual targets and universal coverage."*

Page 80, line 30, delete "23" and insert "25"

Page 80, line 31, delete "7 to 10" and insert "8 to 11"

Renumber the sections of article 7 in sequence

Page 84, line 29, delete everything after the period

Page 84, delete lines 30 to 35

Page 86, line 3, after "physician" insert ", chiropractor,"

Page 92, line 26, after "sold," insert "or" and strike ", or renewed"

Page 92, line 29, after "62L" insert "*provided that underwriting restrictions may be retained on individual contracts that are issued without evidence of insurability as a replacement for prior individual coverage"*

Page 93, line 5, delete everything after the period

Page 93, delete lines 6 to 12

Page 96, line 36, strike "October" and insert "July"

Page 97, line 1, strike "1992" and insert "1993"

Page 97, line 4, delete the new language and strike "Two"

Page 97, strike lines 5 and 6

Page 97, line 25, delete "excluding" and insert "including"

Page 97, line 26, after "services" insert "*and inpatient chemical dependency treatment"*

Page 113, after line 12, insert:

"Sec. 4. Minnesota Statutes 1992, section 62J.30, subdivision 8, is amended to read:

Subd. 8. [DATA COLLECTION ADVISORY COMMITTEE PANEL.] The commissioner ~~shall~~ *may* convene a ~~15-member~~ data collection advisory committee ~~consisting of health service researchers, health care providers, health carrier representatives, representatives of businesses that purchase health coverage, and consumers. Six members of this committee must be health care providers. The advisory committee shall panel as needed to~~ evaluate methods of data collection and shall recommend to the commissioner methods of data collection that minimize administrative burdens, address data privacy concerns, and meet the needs of health service researchers. The advisory ~~committee panel~~ *panel* is governed by section ~~15.059~~ *15.014*.

Sec. 5. Minnesota Statutes 1992, section 62J.32, subdivision 4, is amended to read:

Subd. 4. [~~PRACTICE PARAMETER ADVISORY COMMITTEE PANEL.~~] The commissioner ~~shall~~ *may* convene a ~~15-member practice parameter~~ *an* advisory committee comprised of eight health care professionals, and representatives of the research community and the medical technology industry. ~~The committee shall present~~ *panel as needed to make recommendations on the* adoption of practice parameters to the commissioner and the Minnesota health care commission and provide technical assistance as needed to the commissioner and the commission. ~~The advisory committee is governed by section 15.059, but does not expire. The advisory panel is governed by section 15.014.~~"

Renumber the sections of article 13 in sequence

Page 117, line 10, delete "year;" and insert "year;"

Amend the title as follows:

Page 1, lines 13 and 14, delete "60A.02, subdivision 1a;"

Page 1, line 18, after the semicolon, insert "62J.05, by adding a subdivision;"

Page 1, line 22, delete "and" and after "7" insert ", and 8" and after the second semicolon, insert "62J.32, subdivision 4;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was re-referred

S.F. No. 241: A bill for an act relating to human services; modifying reimbursement procedures for group residential housing; amending Minnesota Statutes 1992, section 256I.05, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 1992, section 256I.06, is amended to read:  
256I.06 [PAYMENT METHODS.]

~~When a group residential housing rate is used to pay the room and board costs of a person eligible under sections 256D.01 to 256D.21, the Monthly payment may~~ *Subdivision 1. [MONTHLY PAYMENT.] Monthly payments made on an individual's behalf for group residential housing must be issued as a voucher or vendor payment. When a group residential housing rate is used to pay the room and board costs of a person eligible under sections 256D.33 to 256D.54, payments must be made to the recipient. If a recipient is not able to manage the recipient's finances, a representative payee must be appointed.*

*Subd. 2. [TIME OF PAYMENT.] A county agency may make payments to a group residence in advance for an individual whose stay in the group residence is expected to last beyond the calendar month for which the payment is made and who does not expect to receive countable earned income during the month for which the payment is made. Group residential housing payments made by a county agency on behalf of an individual who is not expected to remain in the group residence beyond the month for which*

*payment is made must be made subsequent to the individual's departure from the group residence. Group residential housing payments made by a county agency on behalf of an individual with earned income must be made subsequent to receipt of a monthly household report form."*

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after "subdivision" insert "; and 256I.06"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1101: A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing cease and desist orders; providing for penalties; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; and 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 13, delete "all"

Page 6, line 26, after the first comma, insert "*the amount paid for services of the office of the attorney general,*"

Page 6, line 27, delete "reports" and insert "reporters"

Page 8, line 16, delete the first "\$....." and insert "\$200" and delete "and" and delete the second "\$....." and insert "\$200, and the trainee application fee is \$100." and after "both" insert "*certification and examination*"

Page 8, line 17, after the stricken "necessary" insert "*of \$60*" and reinstate the stricken "to recover,"

Page 8, line 18, reinstate the stricken language and after the reinstated "commissioner's" insert "*accumulated*"

Page 8, line 19, reinstate the stricken "for" and delete "*of \$.....*" and insert "*administering the requirements of this chapter, but not registration of hearing instrument dispensers under section 214.13, before November 1, 1994.*"

Page 10, line 32, before "*Between*" insert "*Notwithstanding section 3, subdivision 2, a person who; by exam or reciprocity, is a registered hearing instrument dispenser on the effective date of this act is entitled to certification without examination or payment of a fee.*"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 876: A bill for an act relating to the environment; conditioning the use of state funds by the attorney general for investigation of environmental violations; allowing courts to dismiss proceedings against first-time violators of certain environmental provisions after a successful probationary period is completed; amending Minnesota Statutes 1992, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, delete "*entered into*" and insert "*developed*"

Page 1, line 17, delete "*agreement*" and insert "*policy in consultation*"

Page 1, line 20, delete "*agreement*" and insert "*policy*"

Page 1, delete line 24 and insert "*charged with a first*"

Page 1, delete line 27

Page 1, line 28, delete the first "*the person*" and insert "*at any time*"

Page 3, line 13, delete "*August 1, 1993,*" and insert "*the day following final enactment*" and after "*to*" insert "*prosecution pending on and*"

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 712: A bill for an act relating to outdoor recreation; creating the Lake Superior water trail; proposing coding for new law in Minnesota Statutes, chapter 85.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, delete "*coastline*" and insert "*shoreline*"

Page 1, line 9, delete "*shall*" and insert "*must*"

Page 1, line 15, after "*agencies*" insert "*and private resorts*"

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. 872: A bill for an act relating to game and fish; abolishing the nonresident bear guide license; repealing Minnesota Statutes 1992, section 97A.475, subdivision 17.

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. 639: A bill for an act relating to the environment; providing for the disposal of ash from incinerators operated by the Western Lake Superior Sanitary District; amending Minnesota Statutes 1992, section 458D.07, subdivision 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 617, 921, 563, 653, 737, 809, 207, 346, 1161, 175, 75, 781, 1141, 225, 924, 1060, 742, 1129, 241, 712, 872 and 639 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 233 and 399 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Vickerman moved that the name of Mr. Frederickson be added as a co-author to S.F. No. 128. The motion prevailed.

Mr. Benson, D.D. moved that his name be stricken as a co-author to S.F. No. 220. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 719. The motion prevailed.

Mr. Kelly moved that the names of Messrs. McGowan, Spear and Merriam be added as co-authors to S.F. No. 958. The motion prevailed.

Mr. Morse moved that the name of Mr. Finn be added as a co-author to S.F. No. 1257. The motion prevailed.

Ms. Krentz moved that the name of Mr. Finn be added as a co-author to S.F. No. 1291. The motion prevailed.

Ms. Ranum moved that the names of Mr. Hottinger and Ms. Johnson, J.B. be added as co-authors to S.F. No. 1361. The motion prevailed.

Mr. Merriam moved that S.F. No. 305 be withdrawn from the Committee on Crime Prevention and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Stumpf moved that S.F. No. 1363 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Agriculture and Rural Development. The motion prevailed.

### RECESS

Mr. Luther 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. 585: Mr. Spear, Ms. Reichgott and Mr. Belanger.

Mr. Luther moved that the foregoing appointments be approved. The motion prevailed.

### MOTIONS AND RESOLUTIONS – CONTINUED

Ms. Piper moved that H.F. No. 203, No. 1 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

Mr. Cohen moved that S.F. No. 1036 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Crime Prevention. The motion prevailed.

Ms. Berglin moved that S.F. No. 781, on General Orders, be stricken and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

### CALENDAR

H.F. No. 298: A bill for an act relating to local government; creating the office of Anoka county coroner; appointing a physician as county coroner; appointing assistant coroners; designating deputy coroners; establishing the duties of the coroner.

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	Dille	Krentz	Murphy	Robertson
Anderson	Finn	Kroening	Neuville	Runbeck
Beckman	Flynn	Laidig	Novak	Sams
Belanger	Frederickson	Langseth	Oliver	Samuelson
Benson, D.D.	Hottinger	Larson	Olson	Solon
Benson, J.E.	Janezich	Lesewski	Pappas	Spear
Berg	Johnson, D.E.	Lessard	Pariseau	Stevens
Berglin	Johnson, D.J.	Luther	Piper	Stumpf
Bertram	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Betzold	Johnston	Merriam	Price	Vickerman
Chandler	Kelly	Metzen	Ranum	Wiener
Cohen	Kiscaden	Mondale	Reichgott	
Day	Knutson	Morse	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 306: A bill for an act relating to state government; appointments of department heads and members of administrative boards and agencies; clarifying procedures and requirements; amending Minnesota Statutes 1992, sections 15.0575, subdivision 4; 15.06, subdivision 5; and 15.066, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Metzen	Reichgott
Anderson	Dille	Knutson	Mondale	Riveness
Beckman	Finn	Krentz	Morse	Robertson
Belanger	Flynn	Kroening	Murphy	Runbeck
Benson, D.D.	Frederickson	Laidig	Neuville	Sams
Benson, J.E.	Hanson	Langseth	Novak	Samuelson
Berg	Hottinger	Larson	Olson	Solon
Berglin	Janezich	Lesewski	Pappas	Spear
Bertram	Johnson, D.E.	Lessard	Pariseau	Stevens
Betzold	Johnson, D.J.	Luther	Piper	Stumpf
Chandler	Johnson, J.B.	Marty	Pogemiller	Terwilliger
Chmielewski	Johnston	McGowan	Price	Vickerman
Cohen	Kelly	Merriam	Ranum	Wiener

So the bill passed and its title was agreed to.

H.F. No. 341: A bill for an act relating to business corporations; making various technical changes; amending Minnesota Statutes 1992, sections 302A.011, subdivisions 26, 38, 53, and by adding a subdivision; 302A.105; 302A.111, subdivisions 3 and 4; 302A.115, subdivision 1; 302A.117, subdivision 1; 302A.123, subdivision 3; 302A.133; 302A.135, subdivisions 1 and 3; 302A.137; 302A.153; 302A.171, subdivision 2; 302A.231, subdivision 3; 302A.233; 302A.237; 302A.241, subdivision 1; 302A.255, subdivision 2; 302A.401, subdivisions 1 and 3; 302A.402, subdivisions 1, 2, and by adding a subdivision; 302A.403, subdivisions 2 and 4; 302A.413, subdivisions 4 and 9; 302A.423, subdivision 2; 302A.435, subdivisions 1 and 3; 302A.437, subdivision 2; 302A.447, subdivisions 2 and 3; 302A.449, subdivision 1; 302A.461, subdivision 4; 302A.463; 302A.471, subdivision 3; 302A.473, subdivisions 4 and 7; 302A.501, subdivision 1; 302A.521, subdivision 6; 302A.551, subdivision 1; 302A.553, subdivision 1; 302A.559, subdivision 1; 302A.613, subdivisions 2 and 3; 302A.621, subdivision 6; 302A.641, subdivision 1; 302A.671, subdivision 3; 302A.673, subdivisions 1 and 3; 302A.711, subdivisions 1 and 2; and 302A.901, 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Mondale	Reichgott
Anderson	Dille	Knutson	Morse	Riveness
Beckman	Finn	Krentz	Murphy	Robertson
Belanger	Flynn	Laidig	Neuville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kelly	Metzen	Ranum	Wiener

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 262: A bill for an act relating to the city of Saint Paul; authorizing the city by ordinance to prepare, adopt, and amend design districts and design framework, to establish a design advisory committee, and to establish design review procedures to preserve and enhance the city's appearance and environmental quality.

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	Day	Kiscaden	Mondale	Reichgott
Anderson	Dille	Knutson	Morse	Riveness
Beckman	Finn	Krentz	Murphy	Robertson
Belanger	Flynn	Kroening	Neuville	Runbeck
Benson, D.D.	Frederickson	Laidig	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kelly	Metzen	Ranum	Wiener

So the bill passed and its title was agreed to.

S.F. No. 50: A bill for an act relating to traffic regulations; authorizing operation of recreational vehicle combinations with certain restrictions; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; and 169.81, 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Mondale	Reichgott
Anderson	Dille	Krentz	Morse	Riveness
Beckman	Finn	Kroening	Murphy	Robertson
Belanger	Flynn	Laidig	Neuville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hanson	Larson	Oliver	Samuelson
Berg	Hottinger	Lesewski	Olson	Solon
Berglin	Janezich	Lessard	Pappas	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Kelly	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener

Ms. Johnston voted in the negative.

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 903: A bill for an act relating to public employees; authorizing a

local police civil service commission to adopt rules allowing the striking of a name on the civil service eligible register after a one-year period; amending Minnesota Statutes 1992, section 419.06.

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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Laidig in the chair.

After some time spent therein, the committee arose, and Mr. Laidig reported that the committee had considered the following:

H.F. No. 203, which the committee recommends to pass, subject to the following motion:

Ms. Piper moved that the amendment made to H.F. No. 203 by the Committee on Rules and Administration in the report adopted March 22, 1993, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 296, which the committee recommends to pass, after the following motion:

Mr. Larson moved to amend H.F. No. 296, as amended pursuant to Rule 49, adopted by the Senate March 22, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 276.)

Page 13, after line 30, insert:

“Sec. 8. [52.041] [USE OF PUBLIC FUNDS.]

*Subdivision 1. [REQUIREMENT.] A credit union's power to accept deposits or investments of public funds under section 52.04, subdivision 1, clause (18), is conditional upon compliance with the following requirements:*

*(a) The credit union's board of directors must adopt and not repeal a resolution requiring the credit union to lend or otherwise invest deposits or investments of public funds only within this state.*

(b) *The board of directors must, no later than April 1 of each year, certify the credit union's compliance with the resolution for the preceding calendar year.*

(c) *The credit union must, no later than May 1 of each year, file with the commissioner documents proving compliance with paragraphs (a) and (b), together with an explanation supporting the credit union's determination that any deposits or investments of public funds resulted in increased lending or other investment in this state and no increased lending or other investment in other states. The explanation must include a list of all deposits of public funds held for the state or any of its subdivisions, agencies, or instrumentalities.*

(d) *The credit union shall promptly provide any additional information requested by the commissioner.*

(e) *The credit union shall, no later than May 1 of each year:*

(1) *provide to each public body for whom it holds deposits or investments of public funds copies of all documents required to be filed with the commissioner of commerce under this section;*

(2) *permit the public to view those documents upon request at its principal place of business; and*

(3) *provide copies of them at a price not to exceed the cost of copying.*

*Subd. 2. [ACCESS TO DOCUMENTS; COMMISSIONER.] The commissioner shall permit any person to review all documents required to be filed with the commissioner under this section and shall provide copies of any of those documents at the price that the commissioner otherwise charges for copies.*

*Subd. 3. [PUBLIC DEPOSITS REGULATED.] Notwithstanding any law to the contrary, the state and its subdivisions, agencies, and instrumentalities shall not deposit or invest public funds in a state or federal credit union, unless the credit union has provided to the public body the copies of documents required to be provided under subdivision 1, paragraph (e)."*

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 28 and nays 34, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Laidig	Neuville	Runbeck
Beckman	Frederickson	Larson	Oliver	Stevens
Benson, D.D.	Johnson, D.E.	Lesewski	Olson	Terwilliger
Benson, J.E.	Johnston	McGowan	Pariseau	Vickerman
Berg	Kiscaden	Metzen	Riveness	
Day	Knutson	Morse	Robertson	

Those who voted in the negative were:

Anderson	Finn	Langseth	Novak	Sams
Belanger	Flynn	Lessard	Pappas	Samuelson
Berglin	Hanson	Luther	Piper	Solon
Bertram	Hottinger	Marty	Pogemiller	Spear
Betzold	Johnson, D.J.	Merriam	Price	Stumpf
Chandler	Johnson, J.B.	Mondale	Ranum	Wiener
Cohen	Krentz	Murphy	Reichgott	

The motion did not prevail. So the amendment was not adopted.

The question was taken on the recommendation to pass H.F. No. 296.

The roll was called, and there were yeas 38 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Novak	Sams
Anderson	Flynn	Langseth	Pappas	Samuelson
Belanger	Hanson	Lessard	Piper	Solon
Berglin	Hottinger	Luther	Pogemiller	Spear
Bertram	Janezich	Marty	Price	Stumpf
Betzold	Johnson, D.J.	Merriam	Ranum	Wiener
Chandler	Johnson, J.B.	Mondale	Reichgott	
Cohen	Krentz	Murphy	Riveness	

Those who voted in the negative were:

Beckman	Dille	Knutson	Metzen	Robertson
Benson, D.D.	Frederickson	Laidig	Neuville	Runbeck
Benson, J.E.	Johnson, D.E.	Larson	Oliver	Stevens
Berg	Johnston	Lesewski	Olson	Terwilliger
Day	Kiscaden	McGowan	Pariseau	Vickerman

The motion prevailed. So H.F. No. 296 was recommended to pass.

S.F. No. 33, which the committee reports progress, subject to the following motions:

Mr. Pogemiller moved to amend S.F. No. 33 as follows:

Page 3, line 8, delete "4a" and insert "4"

Page 13, line 7, delete "board" and insert "council"

The motion prevailed. So the amendment was adopted.

Mr. McGowan moved to amend S.F. No. 33 as follows:

Page 2, line 33, delete "or"

Page 2, line 36, reinstate the stricken language

Page 3, line 1, reinstate the stricken language

Page 3, delete line 2 and insert "harass, abuse, disturb, or cause distress in or threaten another, after being told to leave"

Page 3, lines 3 to 5, reinstate the stricken language

Page 4, line 3, after the second comma, insert "section 609.605, subdivision 1, paragraph (a), clause (7)."

Page 4, line 4, delete the second "or" and after "609.79" insert "; or section 609.795"

Page 6, line 27, delete "or"

Page 6; line 28, before the period, insert ";

(6) section 609.605, subdivision 1, paragraph (a), clause (7);

(7) section 609.79; or

(8) section 609.795"

Page 7, lines 31 and 32, reinstate the stricken language and delete the new language

Page 7, lines 34 to 36, reinstate the stricken language

Page 8, line 1, reinstate the stricken "conversation ensues, with intent to abuse," and after the stricken "harass," insert "*disturb, or cause distress,*"

Page 8, line 2, reinstate the stricken language

Page 8, line 3, reinstate the stricken "continuously to ring, with intent to" and after the stricken "harass" insert "*abuse, disturb, or cause distress in*" and reinstate the stricken "any person at the"

Page 8, line 4, reinstate the stricken language and delete the new language

Page 8, lines 6 and 7, reinstate the stricken language

Page 8, line 10, reinstate the stricken language and delete the new language

Page 8, lines 17 and 18, reinstate the stricken language

Page 8, line 19, reinstate the stricken "(3) with the intent to" and reinstate the stricken "abuse," and after the stricken "threaten," insert "*disturb, or cause distress,*"

Page 8, lines 20 and 21, reinstate the stricken language

Page 11, line 34, after the first "section" insert "*609.605, subdivision 1,*" and delete "*or a violation of section*" and insert a comma

Page 11, line 35, before the period, insert "*, 609.79, subdivision 1a, or 609.795*"

The motion prevailed. So the amendment was adopted.

Ms. Ranum moved to amend S.F. No. 33 as follows:

Page 14, line 28, before "*Sections*" insert "*Sections 2, 3, 7, 8, 9, 14, and 18 are effective June 1, 1993, and apply to crimes committed on or after that date.*" and delete "*1 to 18*" and insert "*4, 5, 6, 10, 12, and 16*" and delete everything after "*1993*" and insert "*. Sections 1, 11, 13, 15, and 17 are effective the day following final enactment.*"

Page 14, delete line 29

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend S.F. No. 33 as follows:

Page 1, after line 26, insert:

"Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 105a. [DATA FOR ASSESSMENT OF OFFENDERS.] Access to data for the purpose of a mental health assessment of a convicted harassment offender is governed by section 8, subdivision 6.*"

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S.F. No. 33 as follows:

Page 3, line 12, after "*that*" insert "*would cause a reasonable person*

*under the circumstances to feel threatened and it caused that reaction in the person."*

Page 3, delete line 13

The motion prevailed. So the amendment was adopted.

Mr. Neuville moved to amend S.F. No. 33 as follows:

Page 4, line 31, delete everything after "*that*" and insert "*the actor knew or reasonably should have known would cause the victim*"

Page 4, line 32, delete "*under the circumstances*"

Page 6, line 15, delete everything after "*that*" and insert "*the actor knew or reasonably should have known would cause the victim*"

Page 6, line 16, delete "*under the circumstances*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 32, as follows:

Those who voted in the affirmative were:

Adkins	Day	Laidig	Neuville	Stumpf
Anderson	Dille	Langseth	Oliver	Terwilliger
Beckman	Frederickson	Larson	Olson	Vickerman
Benson, J.E.	Hanson	Lesewski	Pariseau	
Berg	Johnston	Lessard	Rünbeck	
Bertram	Knutson	Metzen	Samuelson	
Chmielewski	Kroening	Murphy	Stevens	

Those who voted in the negative were:

Belanger	Hottinger	Krentz	Novak	Sams
Berglin	Janezich	Luther	Pappas	Solon
Betzold	Johnson, D.E.	Marty	Piper	Spear
Chandler	Johnson, D.J.	McGowan	Pogemiller	Wiener
Cohen	Johnson, J.B.	Merriam	Ranum	
Finn	Kelly	Mondale	Reichgött	
Flynn	Kiscaden	Morse	Robertson	

The motion did not prevail. So the amendment was not adopted.

Mr. Neuville then moved to amend S.F. No. 33 as follows:

Page 3, line 13, delete "*explicitly or implicitly*" and insert "*indirectly or directly*"

Page 5, line 2, delete "*implicitly or explicitly expresses*" and insert "*directly or indirectly manifests*"

Page 6, line 22, after "*acts*" insert "*within a three-year period*"

The motion prevailed. So the amendment was adopted.

Mr. Neuville then moved to amend S.F. No. 33 as follows:

Page 7, line 26, delete everything after "*if*" and insert a colon

Page 7, delete lines 27 and 28 and insert:

*"(1) they are authorized by the provisions of section 7 of the National Labor Relations Act, United States Code, title 29, section 157, as amended; or*

(2) they are an expression of political or religious exercise of free speech or assembly.”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kroening	Neuville	Stevens
Beckman	Dille	Laidig	Olson	Stumpf
Benson, J.E.	Frederickson	Langseth	Pariseau	Terwilliger
Berg	Hanson	Larson	Runbeck	Vickerman
Bertram	Johnston	Lesewski	Sams	
Chmielewski	Knutson	Lessard	Samuelson	

Those who voted in the negative were:

Anderson	Flynn	Kiscaden	Mondale	Pogemiller
Belanger	Hottinger	Krentz	Morse	Ranum
Berglin	Janezich	Luther	Murphy	Reichgott
Betzold	Johnson, D.E.	Marty	Novak	Robertson
Chandler	Johnson, D.J.	McGowan	Oliver	Solon
Cohen	Johnson, J.B.	Merriam	Pappas	Spear
Finn	Kelly	Metzen	Piper	Wiener

The motion did not prevail. So the amendment was not adopted.

Mr. Neuville then moved to amend S.F. No. 33 as follows:

Page 7, line 24, delete everything after the period

Page 7, delete lines 25 to 28

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Johnston	McGowan	Runbeck
Beckman	Day	Kiscaden	Merriam	Spear
Belanger	Dille	Knutson	Neuville	Stevens
Benson, J.E.	Finn	Laidig	Oliver	Stumpf
Berg	Frederickson	Langseth	Olson	Terwilliger
Bertram	Hanson	Larson	Pariseau	Vickerman
Betzold	Hottinger	Lesewski	Ranum	
Chandler	Johnson, D.E.	Marty	Robertson	

Those who voted in the negative were:

Anderson	Johnson, D.J.	Lessard	Murphy	Reichgott
Berglin	Johnson, J.B.	Luther	Novak	Sams
Cohen	Kelly	Metzen	Pappas	Samuelson
Flynn	Krentz	Mondale	Piper	Solon
Janezich	Kroening	Morse	Pogemiller	Wiener

The motion prevailed. So the amendment was adopted.

S.F. No. 33 was then progressed.

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. Lessard introduced—

S.F. No. 1372: A bill for an act relating to health; adding a licensed pharmacist to the Minnesota health care commission; amending Minnesota Statutes 1992, section 62J.05, subdivision 2.

Referred to the Committee on Health Care.

Ms. Johnson, J.B. introduced—

S.F. No. 1373: A bill for an act relating to liquor; authorizing an on-sale liquor license in Dalbo township of Isanti county.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Langseth, Stumpf and Sams introduced—

S.F. No. 1374: A bill for an act relating to education; authorizing an operating debt levy; amending Minnesota Statutes 1992, section 124.914, by adding a subdivision.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1375: A bill for an act relating to retirement; establishing an effective retirement date for a retired teachers retirement association member.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Stumpf and Sams introduced—

S.F. No. 1376: A bill for an act relating to education; allowing school districts with an interdistrict cooperation plan to receive four years of combination revenue; amending Minnesota Statutes, section 124.2725, subdivisions 4, 5, and 6.

Referred to the Committee on Education.

Mr. Lessard introduced—

S.F. No. 1377: A bill for an act relating to game and fish; allowing the baiting of deer under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

Mr. Bertram introduced—

S.F. No. 1378: A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Johnson, J.B.; Messrs. Stevens and Chmielewski introduced—

S.F. No. 1379: A bill for an act relating to the environment; appropriating money for grants to the east central solid waste commission for payments on bonds issued for a composting facility.

Referred to the Committee on Environment and Natural Resources.

Messrs. Janezich and Metzen introduced—

S.F. No. 1380: A bill for an act relating to commerce; regulating heavy and utility equipment dealership agreements; including truck parts within the scope of coverage; defining terms; amending Minnesota Statutes 1992, section 325E.068, subdivision 2, and by adding subdivisions.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Metzen introduced—

S.F. No. 1381: A bill for an act relating to taxation; allowing the commissioner of revenue to waive time limits for payment of refunds; amending Minnesota Statutes 1992, section 289A.40, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Vickerman, Solon, Knutson, Mses. Pappas and Hanson introduced—

S.F. No. 1382: A bill for an act relating to transportation; regulating the sign franchise program; amending Minnesota Statutes 1992, section 160.80, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Ms. Piper, Messrs. Hottinger, Finn, Ms. Berglin and Mr. Vickerman introduced—

S.F. No. 1383: A bill for an act relating to public defense; authorizing grants to fund Indian child welfare defense corporations; amending Minnesota Statutes 1992, section 611.216, by adding a subdivision.

Referred to the Committee on Crime Prevention.

Mr. Berg introduced—

S.F. No. 1384: A bill for an act relating to corrections; authorizing the issuance of state bonds to purchase the Prairie correctional facility in Appleton; appropriating money.

Referred to the Committee on Crime Prevention.

Mr. Solon introduced—

S.F. No. 1385: A bill for an act relating to human services; requiring the commissioner of human services to set uniform payment rates for alternative care services; amending Minnesota Statutes 1992, section 256B.0913, subdivision 14.

Referred to the Committee on Health Care.

Messrs. Terwilliger, Beckman, Larson and Ms. Pappas introduced—

S.F. No. 1386: A bill for an act relating to education; requiring additional information in a school district's capital expenditures program; requiring the department of education to design a format for reporting the capital expenditures program; allowing the county facilities group to develop alternative proposals for meeting districts' facilities needs; providing a process for the development of statewide coordination and planning for education facilities; appropriating money; amending Minnesota Statutes 1992, sections 124.243, subdivision 1, and by adding a subdivision; and 373.42, subdivision 4.

Referred to the Committee on Education.

Messrs. Johnson, D.E.; Pogemiller; Ms. Lesewski and Mr. Dille introduced—

S.F. No. 1387: A bill for an act relating to housing; modifying the definition of dwelling for smoke detection devices; amending Minnesota Statutes 1992, section 299F.362, subdivision 1.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Frederickson, Lessard, Berg, Vickerman and Laidig introduced—

S.F. No. 1388: A bill for an act relating to natural resources; appropriating money to the commissioner of natural resources for the Swan Lake and Heron Lake projects; land acquisition and development.

Referred to the Committee on Environment and Natural Resources.

Ms. Johnston, Mrs. Benson, J.E.; Ms. Hanson, Messrs. Vickerman and Laidig introduced—

S.F. No. 1389: A bill for an act relating to drivers' licenses; providing that physical requirements to obtain school bus endorsement for driver's license are satisfied by possession of medical examiner's certificate required for commercial vehicle drivers; amending Minnesota Statutes 1992, section 171.321, subdivision 2.

Referred to the Committee on Transportation and Public Transit.

Mr. Benson, D.D. introduced—

S.F. No. 1390: A bill for an act relating to state government; restructuring the executive branch to improve efficiency; providing for the grouping of related functions under secretaries; authorizing the consolidation of functions; providing for the termination of advisory councils, task forces, and boards; consolidating the administrative functions related to certain boards; transferring certain powers and duties; abolishing certain departments and agencies; appropriating money; amending Minnesota Statutes 1992, sections 8.06; 15.01; 15.059, subdivision 5; 15.06, subdivisions 1 and 8; 15A.081, subdivision 1; 16B.37, subdivision 2; 84.01, subdivisions 1 and 3; 84.027, by adding a subdivision; 116.01; 116.02, subdivision 5; 116.03, subdivisions 1 and 2; 214.001, subdivision 1; 214.04, subdivision 1, and by adding subdivisions; 216A.01; 216A.03, subdivision 1, and by adding a subdivision; 349.12, subdivision 6; and 349.151, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 4;

and 15; repealing Minnesota Statutes 1992, sections 103B.101, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 10, and 11; 116.02, subdivisions 1, 2, 3, and 4; 116.03, subdivision 6; 116.04; 214.04, subdivision 3; 216A.06; and 240.02.

Referred to the Committee on Governmental Operations and Reform.

Mr. Dille introduced—

S.F. No. 1391: A bill for an act relating to the city of Hutchinson; permitting the city to erect certain signs.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Dille and Johnson, D.E. introduced—

S.F. No. 1392: A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

Referred to the Committee on Environment and Natural Resources.

Mses. Runbeck, Olson, Messrs. Neuville and Oliver introduced—

S.F. No. 1393: A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to article IV; providing for initiative and referendum.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Benson, D.D.; Mses. Olson and Kiscaden introduced—

S.F. No. 1394: A bill for an act relating to education; modifying the system for funding K-12 education and realigning responsibilities for governing schools between the state and local school boards; reducing funding for certain aids; reducing the general education tax rate; amending Minnesota Statutes 1992, sections 124A.03, subdivision 1c; 124A.04, subdivision 2; and 124A.23, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 1992, section 124A.03, subdivision 1d.

Referred to the Committee on Education.

Mr. Berg introduced—

S.F. No. 1395: A bill for an act relating to state parks; camping facilities adjacent to wildlife management areas; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Environment and Natural Resources.

Mr. Berg introduced—

S.F. No. 1396: A bill for an act relating to industrial development; authorizing a grant to a nonprofit organization to promote expanding flexible collaborative manufacturing networks statewide; appropriating money.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Vickerman introduced—

S.F. No. 1397: A bill for an act relating to utilities; requiring public service corporations to notify owners of real property subject to easements held by the corporations of the location of and restrictions on the easements; proposing coding for new law in Minnesota Statutes, chapter 300.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Metzen introduced—

S.F. No. 1398: A bill for an act relating to taxation; property; decreasing the class rate on residential nonhomestead and apartment property; amending Minnesota Statutes 1992, sections 273.13, subdivision 25; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kroening, Kelly, Mses. Pappas, Berglin and Mr. Johnson, D.J. introduced—

S.F. No. 1399: A bill for an act relating to taxation; income; providing an income tax credit for improvements made to certain residential property; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 290 and 462C.

Referred to the Committee on Taxes and Tax Laws.

Mr. Vickerman introduced—

S.F. No. 1400: A bill for an act relating to Nobles county; permitting the consolidation of the offices of auditor and treasurer.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Metzen, Morse, Berg, Dille and Mrs. Pariseau introduced—

S.F. No. 1401: A bill for an act relating to health; water wells; requiring that well inspectors be qualified as licensed well contractors; amending Minnesota Statutes 1992, section 103I.101, subdivision 4.

Referred to the Committee on Governmental Operations and Reform.

Mr. Stumpf, Ms. Runbeck, Messrs. Neuville and Langseth introduced—

S.F. No. 1402: A bill for an act relating to workers' compensation; establishing individual security accounts; requiring certain information; imposing an individual security account assessment; establishing a revolving fund; determining reimbursable expenses; proposing coding for new law in Minnesota Statutes, chapter 79.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Terwilliger, Merriam, Benson, D.D.; Metzen and Belanger introduced—

S.F. No. 1403: A bill for an act relating to utilities; expanding duties of chair of public utilities commission; amending Minnesota Statutes 1992, section 216A.03, subdivision 3a.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Pogemiller introduced—

S.F. No. 1404: A bill for an act relating to education; providing for the assignment of nonlicensed employees affected by school district consolidation to the newly created district; amending Minnesota Statutes 1992, section 122.23, subdivision 18, and by adding a subdivision.

Referred to the Committee on Education.

Messrs. Chmielewski, Pogemiller and Stumpf introduced—

S.F. No. 1405: A bill for an act relating to transportation and transit; providing for transit system throughout Minnesota; amending Minnesota Statutes 1992, section 123.39, subdivision 8b.

Referred to the Committee on Transportation and Public Transit.

Mr. Stumpf introduced—

S.F. No. 1406: A bill for an act relating to education; creating a levy for the purchase of computers; amending Minnesota Statutes 1992, section 124.91, by adding a subdivision.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1407: A bill for an act relating to public administration; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137.

Referred to the Committee on Education.

Messrs. Betzold and Luther introduced—

S.F. No. 1408: A bill for an act relating to highways; appropriating money to the commissioner of transportation for payment of a loan to the city of Brooklyn Park from the metropolitan council's right-of-way acquisition loan fund for costs related to proposed trunk highway No. 610.

Referred to the Committee on Transportation and Public Transit.

Mses. Pappas and Flynn introduced—

S.F. No. 1409: A bill for an act relating to occupations and professions; establishing the office of midwifery practice; providing for a midwife practitioner advisory council; establishing reporting obligations; providing for disciplinary actions; providing for rulemaking; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1992, sections 148.30; 148.31; and 148.32.

Referred to the Committee on Health Care.

Mr. Berg introduced—

S.F. No. 1410: A bill for an act relating to education; providing for part of a reorganized school district to attach to another district in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 122.

Referred to the Committee on Education.

Ms. Ranum, Mr. Solon, Ms. Pappas and Mr. Knutson introduced—

S.F. No. 1411: A bill for an act relating to education; requiring school districts to adopt racial harassment and violence policies; amending Minnesota Statutes 1992, sections 127.455; and 127.46.

Referred to the Committee on Education.

Mr. Marty, Mses. Berglin and Wiener introduced—

S.F. No. 1412: A bill for an act relating to health care; allowing family planning special project grants to be used for family planning education in schools; modifying restrictions on funds allocated to a grantee within a region; appropriating money; amending Minnesota Statutes 1992, section 145.925, subdivisions 1a, 3, 5, and 9.

Referred to the Committee on Health Care.

Mr. Chandler introduced—

S.F. No. 1413: A bill for an act relating to workers' compensation; modifying provisions relating to charges by certain nursing homes; amending Minnesota Statutes 1992, section 176.136, subdivision 1b.

Referred to the Committee on Jobs, Energy and Community Development.

Ms. Berglin introduced—

S.F. No. 1414: A bill for an act relating to taxation; changing income tax rates and brackets; providing a personal credit in lieu of personal exemptions; increasing the working family credit; amending Minnesota Statutes 1992, sections 290.01, subdivision 19a; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knutson introduced—

S.F. No. 1415: A bill for an act relating to playground safety; requiring the department of labor and industry to adopt rules governing playground safety; proposing coding for new law as Minnesota Statutes, chapter 184C.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Vickerman and Benson, D.D. introduced—

S.F. No. 1416: A bill for an act relating to human services; establishing a pilot project to downsize an intermediate care facility for persons with mental retardation and related conditions; appropriating money.

Referred to the Committee on Health Care.

Messrs. Langseth, Larson, Sams, Murphy and Dille introduced—

S.F. No. 1417: A bill for an act relating to transportation; allowing provision and funding of regional transportation planning and related services in regions not served by a regional development commission; proposing coding for new law in Minnesota Statutes, chapter 462.

Referred to the Committee on Transportation and Public Transit.

Messrs. Moe, R.D.; Hottinger; Janezich; Pogemiller and Ms. Flynn introduced—

S.F. No. 1418: A bill for an act relating to state government; public employment; establishing a pilot project in certain entities; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees.

Referred to the Committee on Governmental Operations and Reform.

Mr. Pogemiller introduced—

S.F. No. 1419: A bill for an act relating to taxation; providing conditions and requirements for the issuance of public debt and for the financial obligations of authorities; exempting certain securities from registration requirements; amending certain property tax imposition disclosure provisions; providing an exemption from the mortgage registration tax; amending Minnesota Statutes 1992, sections 80A.15, subdivision 1; 275.065, subdivision 7; 275.60; 275.61; 287.04; 447.45, subdivision 2; and 501B.25.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Price, Riveness and Novak introduced—

S.F. No. 1420: A bill for an act relating to taxation; sales and use; repealing the tax on motor vehicle rentals; repealing Minnesota Statutes 1992, section 297A.135.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Hottinger, Metzen, Ms. Runbeck, Mr. Benson, D.D. and Ms. Wiener introduced—

S.F. No. 1421: A bill for an act relating to state government; correcting erroneous, ambiguous, obsolete, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions in Minnesota Rules; making technical corrections; correcting Minnesota Rules, parts 1200.0300; 1400.0500; 3530.0200; 3530.0300; 3530.1500; 3530.2614; 3530.2642; 4685.0100; 4685.3000; 4685.3200; 4692.0020; 5000.0400; 6105.0400; 6105.0410; 6105.0510; 6105.0630; 6105.0850; 6105.0870; 6105.1440; 6105.1460; 6105.1670; 7045.0075; 7411.7100; 7411.7400; 7411.7700; 7640.0140; 7856.2020; 7883.0100; 8130.3500; 8130.6500; 8800.1200; 8800.1400; 8800.3100; 8820.0600; 8820.2300; 9050.0040; 9050.0300; 9050.0500; 9050.0520; 9050.1070; 9505.0323; and 9505.2175; repealing Minnesota Rules, parts 1300.0100; 1300.0200; 1300.0300; 1300.0400; 1300.0500; 1300.0600; 1300.0700; 1300.0800; 1300.0900;



1300.0940; 1300.0942; 1300.0944; 1300.0946; 1300.0948; 1300.1000;  
 1300.1100; 1300.1150; 1300.1200; 1300.1300; 1300.1400; 1300.1500;  
 1300.1600; 1300.1700; 1300.1800; 1300.1900; 1300.2000; 4685.2600;  
 4692.0020, subpart 2; 4692.0045; 7856.0100, subpart 5; 8017.5000;  
 8115.0200; 8115.0300; 8115.0400; 8115.0500; 8115.0600; 8115.1000;  
 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600;  
 8115.1700; 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200;  
 8115.2300; 8115.2400; 8115.2500; 8115.2600; 8115.2700; 8115.2800;  
 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300;  
 8115.4400; 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900;  
 8115.5000; 8115.5100; 8115.5200; 8115.5300; 8115.5400; 8115.5500;  
 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100;  
 8115.6200; 8115.6300; 8115.6400; 8115.9900; 8120.0800; 8120.1400;  
 8120.1700; 8120.2800, subpart 1; 8120.5100, subpart 1; 8130.9500, subpart  
 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956;  
 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; 8130.9996;  
 8150.0190; 8150.0200; 8150.0400; 8150.0500; 8150.0600; 8150.0700;  
 8150.1405; 8150.1410; 8150.1415; 8150.1420; 8150.1425; 8150.1430;  
 8150.1435; 8150.1440; 8150.1445; 8150.1505; 8150.1510; 8150.1515;  
 8150.1520; 8150.1525; 8150.1540; 8150.1545; 8150.1600; 8150.1800;  
 8150.1900; 8150.2000; 8150.2100; 8150.2205; 8150.2210; 8150.2300; and  
 8150.2400.

Referred to the Committee on Governmental Operations and Reform.

Mses. Anderson and Ranum introduced—

S.F. No. 1422: A bill for an act relating to corrections; requiring a survey of inmates in correctional system.

Referred to the Committee on Crime Prevention.

Ms. Johnson, J.B.; Messrs. Price, Chandler and Novak introduced—

S.F. No. 1423: A bill for an act relating to energy; providing for renewable energy production incentives; providing for low-income consideration in setting certain utility rates; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, section 216B.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216C.

Referred to the Committee on Jobs, Energy and Community Development.

Mses. Johnson, J.B.; Krentz and Reichgott introduced—

S.F. No. 1424: A bill for an act relating to education; establishing a community participation school pilot program in the North Branch school district; appropriating money.

Referred to the Committee on Education.

Mses. Olson, Runbeck, Krentz and Mr. Knutson introduced—

S.F. No. 1425: A bill for an act relating to education; directing school districts to provide challenging instructional activities and experiences to students; amending Minnesota Statutes 1992, section 124A.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 126.

Referred to the Committee on Education.

Mses. Krentz, Reichgott, Ranum, Robertson and Olson introduced—

S.F. No. 1426: A bill for an act relating to education; restructuring educational finance; appropriating money; amending Minnesota Statutes 1992, sections 124A.70; and 124A.72; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Minnesota Statutes 1992, sections 124A.70, subdivisions 3 and 4; 124A.71; and chapters 124; 124A; 124B; 124C; and 124D.

Referred to the Committee on Education.

Ms. Johnston introduced—

S.F. No. 1427: A bill for an act relating to metropolitan government; providing for the discharge of transportation related duties; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Metropolitan and Local Government.

Ms. Kiscaden, Messrs. Benson, D.D.; Larson and Ms. Lesewski introduced—

S.F. No. 1428: A bill for an act relating to insurance; small employer health insurance coverage; modifying the definition of small employer; amending Minnesota Statutes 1992, section 62L.02, subdivision 26.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Lesewski, Messrs. Vickerman, Dille, Bertram and Sams introduced—

S.F. No. 1429: A bill for an act relating to capital improvements; appropriating money for the southern Minnesota rivers basin area II program; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

Ms. Olson, Mrs. Pariseau, Ms. Johnson, J.B. and Mr. Price introduced—

S.F. No. 1430: A bill for an act relating to insect control; abolishing the metropolitan mosquito control district and commission; authorizing the commissioner of natural resources to conduct mosquito and other insect control programs in the metropolitan area; creating an advisory council to the commissioner; authorizing the commissioner to employ former employees of the district; making transfers of property, funds, and other interests; continuing certain taxes during the transitional period; providing instructions to the revisor of statutes; appropriating money; amending Minnesota Statutes 1992, sections 473.702; 473.704, subdivisions 17 and 18; 473.706; 473.715; and 473.716; repealing Minnesota Statutes 1992, sections 473.701; 473.703; 473.704, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 19, and 20; 473.705; 473.711; 473.712; and 473.714.

Referred to the Committee on Environment and Natural Resources.

Mses. Lesewski and Olson introduced—

S.F. No. 1431: A bill for an act relating to education; providing for school district elections in independent school district Nos. 404, 408, and 583.

Referred to the Committee on Education.

Mr. Pogemiller introduced—

S.F. No. 1432: A bill for an act relating to taxation; sales and use; exempting and providing for a refund for building materials used in construction or rehabilitation of affordable housing; appropriating money; amending Minnesota Statutes 1992, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Finn introduced—

S.F. No. 1433: A bill for an act relating to health; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 103I.345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 326.37, subdivision 1; 327.16, subdivision 6; 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1992, sections 103I.701; 103I.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2.

Referred to the Committee on Health Care.

Ms. Johnson, J.B. introduced—

S.F. No. 1434: A bill for an act relating to emergency services; mandating provision of emergency poison information services through the 911 telephone system; providing for funding; amending Minnesota Statutes 1992, sections 237.52, subdivision 3; 403.02, subdivision 4; 403.03; and 403.11, subdivision 1.

Referred to the Committee on Jobs, Energy and Community Development.

Messrs. Murphy and Benson, D.D. introduced—

S.F. No. 1435: A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest.

Referred to the Committee on Environment and Natural Resources.

### MEMBERS EXCUSED

Mr. Moe, R.D. was excused from the Session of today. Mr. Riveness was excused from the Session of today at 12:05 p.m. Mr. Benson, D.D. was excused from the Session of today at 12:25 p.m.

### ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 11:45 a.m., Wednesday, March 31, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-EIGHTH DAY

St. Paul, Minnesota, Wednesday, March 31, 1993

The Senate met at 11:45 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. Paul Ofstedal.

The roll was called, and the following Senators answered to their names:

Adkins	Finn	Kroening	Morse	Robertson
Beckman	Flynn	Laidig	Murphy	Runbeck
Belanger	Frederickson	Langseth	Neuville	Sams
Benson, D.D.	Hanson	Larson	Oliver	Samuelson
Benson, J.E.	Hottinger	Lesewski	Olson	Solon
Berg	Janezich	Lessard	Pappas	Spear
Berglin	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnston	McGowan	Pogemiller	Terwilliger
Chmielewski	Kelly	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener
Day	Knutson	Moe, R.D.	Reichgott	
Dille	Krentz	Mondale	Riveness	

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 25, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 12.

Warmest regards,  
Arne H. Carlson, Governor

March 26, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
12		Res. No. 1	3:35 p.m. March 25	March 25
	442	8	3:28 p.m. March 25	March 25
	227	10	3:30 p.m. March 25	March 25

Sincerely,  
Joan Anderson Growe  
Secretary of State

March 29, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	174	9	2:15 p.m. March 26	March 26

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. 282.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 29, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 134, 882, 836, 1100 and 1325.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 29, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 134: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; modifying the definition of practice of medicine; amending Minnesota Statutes 1992, sections 147.081, subdivision 3; 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

H.F. No. 882: A bill for an act relating to outdoor recreation; creating the Lake Superior water trail; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 712, now on General Orders.

H.F. No. 836: A bill for an act relating to game and fish; sale of licenses through subagents; amending Minnesota Statutes 1992, section 97A.485, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1100: A bill for an act relating to insurance; regulating the health coverage reinsurance association; amending Minnesota Statutes 1992, sections 62L.02, by adding a subdivision; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 2, 4, 6, and 7; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.19; and 62L.20, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

H.F. No. 1325: A bill for an act relating to housing; modifying the definition of dwelling for smoke detection devices; amending Minnesota Statutes 1992, section 299F.362, subdivision 1.

Referred to the Committee on Jobs, Energy and Community Development.

### 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. 834, 154, 1142 and 1007. The motion prevailed.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred:

S.F. No. 834: A bill for an act relating to motor fuels; directing public service department to evaluate and implement policy to provide incentives for developing use of motor vehicles powered by alternate fuels; exempting alternative fuels from motor fuel tax but requiring permit; amending Minnesota Statutes 1992, sections 216C.01, by adding subdivisions; 296.01, by adding subdivisions; 296.025, subdivision 1a; and 296.026, subdivisions 1, 2a, 6, and 7; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [216B.168] [ALTERNATIVE FUEL VEHICLES.]

*Subdivision 1. [RATE RECOVERY.] If the department determines under section 6 that a policy that would result in the recovery through public utility rates of expenses or investments in the development and market penetration of alternative fuel vehicles is in the public interest and consistent with the Federal Energy Policy Act, United States Code, title 42, section 13235, the department may approve plans of public utilities to make investments and expenditures in alternative fuel vehicles and supporting equipment. The commission may allow a public utility to recover through its rates the investments and expenses under a plan approved by the department and shall allow recovery of any assessment under section 7. The rate recovery shall provide for the ratable phase-out over a 20-year period at five percent per year of the recovery of those expenses or investments in public utility rates.*

*Subd. 2. [REPEALER.] This section expires July 1, 2003, except that any plan approved by the commission under subdivision 1 prior to that date may continue until the expiration date of the plan.*

Sec. 2. Minnesota Statutes 1992, section 216C.01, is amended by adding a subdivision to read:

*Subd. 1a. [ALTERNATIVE FUEL.] ‘Alternative fuel’ means natural gas; liquified petroleum gas; hydrogen; coal-derived liquified fuels; electricity; methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more, or other percentage as may be set by regulation by the Secretary of the United States Department of Energy, by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; fuels other than alcohol that are derived from biological materials; and other fuel that the Secretary of the United States Department of Energy determines by regulation to be an alternative fuel within the meaning of section 301(2) of the National Energy Policy Act of 1992.*

Sec. 3. Minnesota Statutes 1992, section 216C.01, is amended by adding a subdivision to read:

*Subd. 1b. [ALTERNATIVE FUEL VEHICLE.] ‘Alternative fuel vehicle’ means a dedicated or a dual-fuel vehicle.*

Sec. 4. Minnesota Statutes 1992, section 216C.01, is amended by adding a subdivision to read:

*Subd. 2a. [DEDICATED FUEL VEHICLE.] "Dedicated fuel vehicle" means a vehicle that operates solely on alternative fuels.*

Sec. 5. Minnesota Statutes 1992, section 216C.01, is amended by adding a subdivision to read:

*Subd. 4. [DUAL-FUEL VEHICLE.] "Dual-fuel vehicle" means a vehicle that is capable of operating on an alternative fuel and is capable of operating on gasoline or diesel fuel.*

Sec. 6. [216C.40] [ALTERNATIVE FUEL VEHICLES.]

*Subdivision 1. [STATE POLICY.] It is in the long-term economic, environmental, and social interest of the state of Minnesota to promote the development and market penetration of alternative fuel vehicles that reduce harmful emissions from motor vehicles as defined in United States Code, title 42, section 7550(2), so as to assist in attaining and maintaining healthful air quality, to provide fuel security through a diversity of alternative fuel supply sources, and to develop additional markets for indigenous crop-based fuels.*

*Subd. 2. [STATE PLAN.] The policies developed and implemented under this section are intended to form part of the state plan that may be submitted by the governor to the Secretary of the United States Department of Energy under section 409 of the National Energy Policy Act of 1992. That plan may include parking preferences for alternative fuel vehicles at public buildings and transportation facilities, high occupancy vehicle lane exceptions for alternative fuel vehicles, and public education programs to promote the use of alternative fuel vehicles and other proposals set forth in section 409 of the National Energy Policy Act of 1992. Nothing in this section limits the scope of a state plan to only those policies implemented by the department. The policies shall be adopted by the department of public service by rule. The department shall adopt the rules as soon as possible and shall publish a notice of hearing on the rules no later than August 1, 1993. The governor shall submit a timely plan to the Secretary of the United States Department of Energy under section 409 of the National Energy Policy Act of 1992 that includes the policies adopted by the department.*

*Subd. 3. [ACTIONS.] The department shall evaluate, support, and, to the extent consistent with its statutory authority, implement regulatory policies to promote the development of equipment and infrastructure needed to facilitate the use of alternative fuel vehicles.*

*Subd. 4. [RULES.] The department's rules shall:*

*(1) determine what actions in support of developing alternative fuel vehicles would be in the best interests of the general public of the state; and*

*(2) weigh both the direct costs and the overall costs and benefits to be realized by the state through the entire development cycle of alternative fuel vehicles and their supporting infrastructure.*

*Subd. 5. [REPORTS TO THE LEGISLATURE.] The department shall, after consultation with the public utilities commission, the environmental quality board, the pollution control agency, the department of transportation, the department of agriculture, and the department of trade and economic development, submit a report to the legislature by January 1 of each*



*even-numbered year after the enactment of this section, detailing the department's progress and all actions taken by units of state government to implement the policies set forth in subdivision 1 concerning alternative fuels.*

*Subd. 6. [CONDITION PRECEDENT.] The duties of the department under this section are conditional on the commissioner of public service finding that there will be at least one public utility that will be subject to the assessment created by section 7.*

*Subd. 7. [REPEALER.] This section expires July 1, 2003.*

**Sec. 7. [ASSESSMENT.]**

*The department of public service shall assess no more than \$78,000 in fiscal year 1994 against public utilities that have plans submitted under section 1, subdivision 1, for expenses reasonably attributable to the performance of the department's duties in developing the state plan under section 6, subdivision 2. A public utility that so elects shall notify the department of public service by June 1, 1993, in writing, of their agreement to be assessed under this section. A utility is bound by an election to be assessed. The assessment must be paid by the public utility within 30 days of its receipt of a bill for the assessment. The assessment for each utility shall be equally shared among assessed utilities.*

**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 energy; directing the public service department to evaluate and implement a policy to promote the use of motor vehicles powered by alternate fuels; amending Minnesota Statutes 1992, section 216C.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C."*

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. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 510: A bill for an act relating to taxation; updating references to the Internal Revenue Code; providing for authorization to make taxable sales; changing and providing sales and use tax exemptions; changing certain payment dates; providing for tax compliance, collection, and enforcement; changing or adding powers and duties of the commissioner of revenue; providing for taxation of liquefied petroleum gas sales; providing for income and franchise tax treatment of certain Indian tribal obligations; providing for reimbursement of certain costs; changing definitions; providing for exchange or disclosure of data; providing for interest; changing or imposing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivisions 2a, 9a, and by adding a subdivision; 60A.198, subdivision 3; 60A.199, subdivision 4, and by adding a subdivision; 115B.22, subdivision 7; 239.785; 270.06; 270.07, subdivision 3; 270.70, subdivision 1; 270B.01, subdivision 8; 270B.08, subdivisions 1 and 2; 270B.12, by adding a subdivision; 270B.14, subdivision 8; 289A.11, subdivision 1; 289A.18, subdivision 4; 289A.20,

subdivisions 2 and 4; 289A.26, subdivision 7; 289A.36, subdivisions 3 and 7; 289A.56, subdivision 3; 289A.60, subdivisions 1, 2, 15, and by adding subdivisions; 289A.63, subdivision 3, and by adding a subdivision; 290.01, subdivisions 7, 19, 19a, and 19c; 290.0921, subdivision 3; 290.92, subdivision 23; 290A.03, subdivisions 3, 7, and 8; 294.03, subdivisions 1, 2, and by adding a subdivision; 296.14, subdivision 1; 297.03, subdivision 6; 297.07, subdivisions 1 and 4; 297.35, subdivisions 1 and 5; 297.43, subdivisions 1, 2, and by adding a subdivision; 297A.01, subdivisions 6 and 16; 297A.04; 297A.041; 297A.06; 297A.065; 297A.07, subdivisions 1, 2, and 3; 297A.10; 297A.11; 297A.14, subdivision 1; 297A.15, subdivisions 1 and 4; 297A.21, subdivisions 3, 4, 5, and 6; 297A.25, subdivision 41, and by adding a subdivision; 297A.255, subdivisions 2 and 3; 297B.10; 297C.03, subdivision 1; 297C.04; 297C.05, subdivision 2; 297C.14, subdivisions 1, 2, and by adding a subdivision; 299F.21, subdivision 2; 299F.23, subdivision 2, and by adding a subdivision; 349.212, subdivision 4; 349.217, subdivisions 1, 2, and by adding a subdivision; and 473.843, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1992, section 115B.24, subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 5 and 6, delete section 9

Page 15, after line 24, insert:

“Sec. 25. Minnesota Statutes 1992, section 297A.25, subdivision 3, is amended to read:

Subd. 3. [MEDICINES; MEDICAL DEVICES.] The gross receipts from the sale of prescribed drugs, prescribed medicine and insulin, intended for use, internal or external, in the cure, mitigation, treatment or prevention of illness or disease in human beings are exempt, together with prescription glasses, *fever thermometers, and therapeutic,* and prosthetic devices. “Prescribed drugs” or “prescribed medicine” includes over-the-counter drugs or medicine prescribed by a licensed physician. “Therapeutic devices” includes reusable finger pricking devices for the extraction of blood and, blood glucose monitoring machines, *and other diagnostic agents, used in the monitoring, diagnosing, or treatment of diabetes.* Nonprescription analgesics consisting principally (determined by the weight of all ingredients) of acetaminophen, acetylsalicylic acid, ibuprofen, or a combination thereof are exempt.

Sec. 26. Minnesota Statutes 1992, section 297A.25, subdivision 34, is amended to read:

Subd. 34. [MOTOR VEHICLES.] The gross receipts from the sale or use of any motor vehicle taxable under the provisions of the motor vehicle excise tax laws of Minnesota shall be exempt from taxation under this chapter. Notwithstanding subdivision 11, the exemption provided under this subdivision remains in effect for motor vehicles purchased *or leased* by political subdivisions of the state if the vehicles are not subject to taxation under chapter 297B.”

Page 16, line 35, delete “10 to 18, and 20 to 30” and insert “9 to 17, and 19 to 31”

Page 17, line 3, delete “and 19” and insert “, 18, 25, and 26”

Page 17, delete lines 5 to 7

Renumber the sections of article 1 in sequence

Page 22, line 30, delete "and"

Page 22, line 31, after "291," insert "and 297," and after "19" insert "and for the words "Internal Revenue Code of 1986, as amended through December 31, 1988," where the phrase occurs in chapter 298. 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, 1992," for references to the Internal Revenue Code of 1954 or the Internal Revenue Code of 1986, as amended through dates set in sections 61A.276, 82A.02, 136.58, 181B.02, 181B.07, 246A.23, 246A.26, subdivisions 1, 2, 3, and 4, 272.02, subdivision 1, 273.11, subdivision 8, 297A.01, subdivision 3, 297A.25, subdivision 25, 352.01, subdivision 2b, 354A.021, subdivision 5, 355.01, subdivision 9, 356.62"

Page 23, delete section 1

Page 27, delete line 33

Page 27, line 34, delete "2" and insert "1"

Page 27, line 36, delete "3 and 4" and insert "2 and 3"

Renumber the sections of article 3 in sequence

Page 36, after line 30, insert:

*"(c) If a retailer has an average sales and use tax liability, including local sales and use taxes administered by the commissioner, equal to or less than \$500 per month in any quarter of a calendar year, and has substantially complied with the tax laws during the preceding four calendar quarters, the retailer may request authorization to file and pay the taxes quarterly in subsequent calendar quarters. The authorization remains in effect during the period in which the retailer's quarterly returns reflect sales and use tax liabilities of less than \$1,500 and there is continued compliance with state tax laws.*

*(d) If a retailer has an average sales and use tax liability, including local sales and use taxes administered by the commissioner, equal to or less than \$100 per month during a calendar year, and has substantially complied with the tax laws during that period, the retailer may request authorization to file and pay the taxes annually in subsequent years. The authorization remains in effect during the period in which the retailer's annual returns reflect sales and use tax liabilities of less than \$1,200 and there is continued compliance with state tax laws.*

*(e) The commissioner may also grant quarterly or annual filing and payment authorizations to retailers if the commissioner concludes that the retailers' future tax liabilities will be less than the monthly totals identified in paragraphs (c) and (d). An authorization granted under this paragraph is subject to the same conditions as an authorization granted under paragraphs (c) and (d)."*

Pages 43 to 46, delete section 20

Page 62, line 23, delete everything after "17," and insert "20 to 22, 29 to 31, 35 to 40,"

Page 62, line 24, delete "43 to 45" and insert "42 to 44"

Page 62, line 27, delete "23, 32, 38, 41, and 45," and insert "22, 31, 37, 40, and 44,"

Page 62, line 30, delete "14, and 20" and insert "and 14"

Page 62, line 34, delete everything after "18," and insert "23 to 28, 32 to 34, 41, and 45 are"

Page 63, line 1, after "thereafter" insert " ; provided that section 10, as it relates to quarterly and annual sales and use tax returns, is effective for returns due for calendar quarters beginning with the first quarter of 1994, and for calendar years beginning with 1994"

Renumber the sections of article 4 in sequence

Page 64, line 8, delete "and" and insert a comma and after "298.015" insert " , and 298.24"

Page 64, delete sections 3 and 4

Pages 70 and 71, delete section 9

Page 71, delete lines 12 and 13

Page 71, line 14, delete "5 to 7" and insert "3 to 5"

Page 71, line 16, delete "8" and insert "6"

Renumber the sections of article 5 in sequence

Amend the title as follows:

Page 1, line 12, delete "providing for exchange or"

Page 1, line 13, delete "disclosure of data;"

Page 1, line 20, delete "270B.12, by adding a"

Page 1, delete line 21 and insert "289A.11,"

Page 1, line 26, delete " , and by adding a subdivision"

Page 1, line 28, delete "290.92, subdivision 23;"

Page 1, line 33, delete "subdivisions" and insert "subdivision"

Page 1, line 34, delete "and 16"

Page 1, line 38, delete the first "subdivision" and insert "subdivisions 3, 34, and"

Page 1, line 39, delete "297B.10;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 105: A bill for an act relating to crime; repealing authority of conference of chief judges to establish a schedule of misdemeanors to be treated as petty misdemeanors; repealing Laws 1992, chapter 513, article 4, section 48.

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 1992, section 609.101, subdivision 4, is amended to read:

Subd. 4. [MINIMUM FINES; OTHER CRIMES.] Notwithstanding any other law:

(1) when a court sentences a person convicted of a felony that is not listed in subdivision 2 or 3, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law; and

(2) when a court sentences a person convicted of a gross misdemeanor or misdemeanor that is not listed in subdivision 2, it must impose a fine of not less than 20 percent of the maximum fine authorized by law nor more than the maximum fine authorized by law, *unless the fine is set at a lower amount on a uniform fine schedule established by the conference of chief judges in consultation with affected state and local agencies. This schedule shall be promulgated and reported to the legislature not later than January 1 of each year and shall become effective on August 1 of that year unless the legislature, by law, provides otherwise.*

The court may not waive payment of the minimum fine or authorize payment of it in installments unless the court makes written findings on the record that the convicted person is indigent or that the fine would create undue hardship for the convicted person or that person's immediate family.

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by subdivision 1 and is in addition to any term of imprisonment or restitution imposed or ordered by the court.

Sec. 2. [REPEALER.]

*Minnesota Statutes 1992, section 609.131, subdivision 1a, is repealed.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective June 1, 1993, and apply to crimes committed on or after that date.”*

Amend the title as follows:

Page 1, delete lines 5 and 6 and insert “amending Minnesota Statutes 1992, section 609.101, subdivision 4; repealing Minnesota Statutes 1992, section 609.131, subdivision 1a.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 784: A bill for an act relating to crime; authorizing collection of fines from inmates' wages; providing that a parent of a victim of harassment who is a minor may seek a restraining order in district court; amending Minnesota Statutes 1992, sections 241.26, subdivision 5; and 609.748, subdivision 2.

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 referred

S.F. No. 585: A bill for an act relating to taxation; making technical corrections and administrative changes to sales and use taxes, income and franchise taxes, property taxes, and tax administration and enforcement; changing penalties; appropriating money; amending Minnesota Statutes 1992, sections 82B.035, by adding a subdivision; 84.82, subdivision 10; 86B.401, subdivision 12; 270.071, subdivision 2; 270.072, subdivision 2; 271.06, subdivision 1; 271.09, subdivision 3; 272.02, subdivisions 1 and 4; 272.025, subdivision 1; 272.12; 273.03, subdivision 2; 273.061, subdivision 8; 273.124, subdivisions 9 and 13; 273.13, subdivision 25; 273.138, subdivision 5; 273.1398, subdivisions 1, 3, and 5b; 274.13, subdivision 1; 274.18; 275.065, subdivision 5a; 275.07, subdivision 4; 275.28, subdivision 3; 275.295; 277.01, subdivision 2; 277.15; 277.17; 278.01, subdivision 1; 278.02; 278.03; 278.04; 278.08; 278.09; 282.018; 287.21, subdivision 4; 287.22; 289A.08, subdivisions 3, 10, and 15; 289A.09, subdivision 1; 289A.11, subdivisions 1 and 3; 289A.12, subdivisions 2, 3, 4, 7, 8, 9, 10, 11, 12, and 14; 289A.18, subdivisions 1 and 4; 289A.20, subdivision 4; 289A.25, subdivisions 1, 2, 5a, 6, 8, 10, and 12; 289A.26, subdivisions 1, 4, and 6; 290A.04, subdivision 2h; 296.14, subdivision 2; 297A.01, subdivision 3; 297B.01, subdivision 5; 297B.03; 347.10; 348.04; 469.175, subdivisions 5 and 6a; 469.177, subdivision 8; and 473H.10, subdivision 3; Laws 1991, chapter 291, article 1, section 65, as amended; Laws 1992, chapter 511, article 2, section 61; proposing coding for new law in Minnesota Statutes, chapters 273; 276; 289A; and 297; repealing Minnesota Statutes 1992, sections 60A.13, subdivision 1a; 273.49; 274.19; 274.20; 277.011; 289A.08, subdivisions 9 and 12; 297A.258; and 348.03.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 12, delete "*snowmobile is*" and insert "*applicant provides a receipt, invoice, or other document that shows the snowmobile was*"

Page 2, line 28, delete "*watercraft is*" and insert "*applicant provides a receipt, invoice, or other document that shows the watercraft was*"

Page 6, lines 22 and 23, delete the new language

Page 19, lines 11 and 12, delete the new language

Page 19, lines 14 and 15, reinstate the stricken language and delete the new language

Page 19, line 18, strike "A copy of"

Page 19, line 20, strike "copy of the"

Page 19, line 23, after the period, insert "*The commissioner may by notice and demand require the regulated investment company to file a copy of the return with the commissioner.*"

Page 21, line 19, delete "or"

Page 21, line 20, delete the new language

Page 26, after line 30, insert:

“Sec. 32. Minnesota Statutes 1992, 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 or 2a in the year for which the taxes were levied or in the year in which the rent was paid as specified in subdivision 2 or 2a. 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 or 2a 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.”

Page 29, line 3, delete “cause” and insert “pay the refund out of the state treasury. The refunds are apportioned to the same accounts and funds in the state treasury to which the tax payments were deposited, except no refunds may be apportioned to the general obligation special tax bond debt service account.

*An amount sufficient to pay the refunds authorized under this section is appropriated from the respective funds and accounts of the state treasury.”*

Page 29, delete lines 4 to 6

Page 29, line 19, delete “33, and 35” and insert “32, 34, and 36”

Page 29, line 27, delete “32” and insert “33”

Page 29, line 29, delete “34” and insert “35”

Renumber the sections of article 2 in sequence

Page 30, after line 36, insert:

“Sec. 4. Minnesota Statutes 1992, section 270.41, is amended to read:

270.41 [BOARD OF ASSESSORS.]

(a) *Subdivision 1. [CREATION; PURPOSE; POWERS.]* A board of assessors is hereby created. The board shall be for the purpose of establishing, conducting, reviewing, supervising, coordinating or approving establish, conduct, review, supervise, coordinate, and approve courses in assessment practices, and establishing establish criteria for determining assessor's qualifications. The board shall also have authority and responsibility to consider other matters relating to assessment administration brought before it by the commissioner of revenue. The board may grant, renew, suspend, or revoke an assessor's license.

*Subd. 2. [MEMBERS.]* The board shall consist of nine members, who shall be appointed by the commissioner of revenue, in the manner provided herein. *The members shall include:*

1. ~~Two~~ (1) two from the department of revenue;

2. ~~Two~~ (2) two county assessors;

3. ~~Two~~ (3) two assessors who are not county assessors, one of whom shall be a township assessor; and;

4. ~~One~~ (4) *one* from the private appraisal field holding a professional appraisal designation; and

5. ~~Two~~ (5) *two* public members as defined by section 214.02.

The appointment provided in ~~2 and 3~~ *clauses (2) and (3)* may be made from two lists of not less than three names each, one submitted to the commissioner of revenue by the Minnesota association of assessing officers or its successor organization containing recommendations for the appointment of appointees described in ~~2~~ *clause (2)*, and one by the Minnesota association of assessors, inc. or its successor organization containing recommendations for the appointees described in ~~3~~ *clause (3)*. The lists must be submitted 30 days before the commencement of the term. In the case of a vacancy, a new list shall be furnished to the commissioner by the respective organization immediately. A member of the board who ~~shall~~ *is* no longer be engaged in the capacity listed above ~~shall automatically be~~ *is* disqualified from membership in the board.

The board shall annually elect a chair and a secretary of the board.

~~(b)~~ *Subd. 3.* [LICENSES; REFUSAL OR REVOCATION.] The board may refuse to grant or renew, or may suspend or revoke, a license of an applicant or licensee for any of the following causes or acts:

- (1) failure to complete required training;
- (2) inefficiency or neglect of duty;

(3) "unprofessional conduct" which means knowingly neglecting to perform a duty required by law, or violation of the laws of this state relating to the assessment of property or unlawfully exempting property or knowingly and intentionally listing property on the tax list at substantially less than its market value or the level required by law in order to gain favor or benefit, or knowingly and intentionally misclassifying property in order to gain favor or benefit; or

(4) conviction of a crime involving moral turpitude; or

(5) any other cause or act that in the board's opinion warrants a refusal to issue or suspension or revocation of a license.

~~(c)~~ *Subd. 4.* [RULES.] The board of assessors may adopt rules under chapter 14, defining or interpreting grounds for refusing to grant or renew, and for suspending or revoking a license under this section. An action of the board of assessors in refusing to grant or renew a license or in suspending or revoking a license is subject to review in accordance with chapter 14.

*Subd. 5.* [PROHIBITED ACTIVITY.] *An assessor, deputy assessor, assistant assessor, appraiser, or other person employed by an assessment jurisdiction or contracting with an assessment jurisdiction for the purpose of valuing or classifying property for property tax purposes is prohibited from making appraisals or analyses, accepting an appraisal assignment, or preparing an appraisal report as defined in section 82B.02, subdivisions 2 to 5, on any property within the assessment jurisdiction where the individual is employed or performing the duties of the assessor under contract. Violation of this prohibition shall result in immediate revocation of the individual's license to assess property for property tax purposes. This prohibition must not be construed to prohibit an individual from carrying out any duties required for the proper assessment of property for property tax purposes."*



Page 46, line 13, strike "of" and insert "who occupy" and after "property" insert "or by the qualifying relative"

Page 46, strike lines 26 to 35

Page 47, line 2, strike "person" and insert "occupant" and strike the second "listed"

Page 47, line 3, after "application" insert ", and the name and address of each owner who does not occupy the property"

Page 47, line 15, after "owner" insert "who is related to an occupant"

Page 47, line 22, delete "nevertheless"

Page 47, line 33, strike "county" and insert "assessor"

Page 74, after line 10, insert:

"Sec. 25. Minnesota Statutes 1992, section 275.07, subdivision 1, is amended to read:

Subdivision 1. The taxes voted by cities, counties, school districts, and special districts shall be certified by the proper authorities to the county auditor on or before five working days after December 20 in each year. A town must certify the levy adopted by the town board to the county auditor by September 4 15 each year. If the town board modifies the levy at a special town meeting after September 4 15, the town board must recertify its levy to the county auditor on or before five working days after December 20. The taxes certified shall not be adjusted by the aid received under sections 273.1398, subdivisions 2 and 3, and 477A.013, subdivision 5. If a city, town, county, school district, or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year."

Page 75, line 13, strike "in equal"

Page 75, line 14, strike everything before the period and insert "at the time distributions are made under section 473H.10"

Page 75, delete section 26 and insert:

"Sec. 28. Minnesota Statutes 1992, section 276.02, is amended to read:

276.02 [TREASURER TO BE COLLECTOR.]

The county treasurer shall collect all taxes extended on the tax lists of the county and the fines, forfeitures, or penalties received by any person or officer for the use of the county. The treasurer shall collect the taxes according to law and credit them to the proper funds. This section does not apply to fines and penalties accruing to municipal corporations for the violation of their ordinances that are recoverable before a city justice. *Taxes, fines, interest, and penalties must be paid with United States currency or by check or money order drawn on a bank or other financial institution in the United States.* The county board may by resolution authorize the treasurer to impose a charge for any dishonored checks."

Page 76, line 15, delete "subdivision 1a,"

Page 77, line 28, delete "next"

Page 81, line 15, delete "July 1" and insert "May 16"

Page 81, line 22, delete "*prior to the first day of July*" and insert "*before May 16*"

Page 83, after line 7, insert:

"Sec. 38. Minnesota Statutes 1992, section 279.025, is amended to read:  
279.025 [PAYMENT OF DELINQUENT PROPERTY TAXES, SPECIAL ASSESSMENTS.]

Payment of delinquent property tax and related interest and penalties and special assessments shall be paid to the county auditor with United States currency or by check or money order drawn on a bank or other financial institution in the United States."

Pages 88 to 91, delete sections 42 and 43

Pages 93 and 94, delete section 45 and insert:

"Sec. 46. Minnesota Statutes 1992, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In calendar year 1990, each town that had levied for taxes payable in the prior year a local tax rate of at least .008 shall receive a distribution equal to 106 percent of the amount received in 1989 under this subdivision. In calendar years 1991 and 1992, each town that had levied for taxes payable in the prior year a local tax rate of at least .008 shall receive a distribution equal to the amount it received in the previous year under this subdivision less any permanent reductions made under section 477A.0132. In 1993 and thereafter, each town that had levied for taxes payable in the prior year a local tax rate of at least .008 shall receive a distribution equal to the amount it received in 1992 *under this subdivision* before any nonpermanent reductions made under section 477A.0132 plus \$1 per capita based on the town's population."

Page 95, line 32, after "(c)" insert "*Minnesota Statutes 1992, section 275.03, is repealed.*

(d)"

Page 95, line 33, delete "(d)" and insert "(e)"

Page 96, line 13, delete "9, 10, 36 to 41, 47, paragraph (d), and 48" and insert "10, 11, 39 to 44, 48, paragraph (e), and 49"

Page 96, line 14, delete "46" and insert "47"

Page 96, line 16, delete "11, 21, 23, 26, 29, and 47" and insert "12, 22, 24, 31, and 48"

Page 96, line 17, delete "4, 5, 6, 8, 12" and insert "5, 6, 7, 9, 13"

Page 96, delete line 18 and insert "*to 16, 26, 27, 29, 32 to 37, and 48, paragraph (d), are*"

Page 96, line 19, delete "22" and insert "23"

Page 96, line 20, delete everything after the period

Page 96, delete line 21

Page 96, line 22, delete "*executed on or after July 1, 1993. Section 28*" and insert "*Section 30*"

Page 96, lines 23 and 24, delete "*16, 19, and 44*" and insert "*17, 20, and 45*"

Page 96, line 25, delete "*17 and 18*" and insert "*18 and 19*"

Page 96, line 26, delete "*20*" and insert "*21*"

Page 96, line 27, delete "*7*" and insert "*8*"

Page 96, line 29, delete everything after the period

Page 96, delete line 30

Page 96, line 31, delete "*enactment of Laws 1992, chapter 511. Section 47*" and insert "*Section 48*"

Renumber the sections of article 3 in sequence

Amend the title as follows:

Page 1, line 9, after the second semicolon, insert "*270.41;*"

Page 1, line 16, delete the second "*subdivision*" and insert "*subdivisions 1 and*"

Page 1, line 17, after "*275.295;*" insert "*276.02;*"

Page 1, line 19, after "*278.09;*" insert "*279.025;*"

Page 1, line 26, delete the first "*subdivision*" and insert "*subdivisions 1 and*"

Page 1, line 28, delete "*subdivisions 5 and 6a*" and insert "*subdivision 5*"

Page 1, line 29, delete "*469.177, subdivision 8; and*" and after "*3;*" insert "*and 477A.013, subdivision 1;*"

Page 1, delete line 30

Page 1, line 31, delete "*amended;*"

Page 1, line 33, delete "*276;*"

Page 1, line 35, after "*274.20;*" insert "*275.03;*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 852: A bill for an act relating to consumer protection; providing for a review list; providing for independent medical examinations requested by third-party payors; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 146.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1108: A bill for an act relating to insurance; clarifying the application of a certain notice requirement regarding guaranty association protection to policies or contracts issued by fraternal benefit societies; amending Minnesota Statutes 1992, section 60C.22.

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. 697: A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivisions 1, 7, and by adding a subdivision; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 10, delete everything after "uses"

Page 2, lines 11 to 16, delete the new language

Page 3, line 17, after "construction" insert "*and mineland*"

Page 3, delete section 3

Page 4, line 2, delete "*1a*" and insert "*5a*"

Page 4, line 3, delete "*(b)*" and insert "*(c)*" and after "*shall*" insert "*, by January 31, 1994.*"

Page 4, line 4, delete "*and shall issue no new permits*" and insert "*, and may not issue new permits.*"

Page 4, after line 12, insert:

"Sec. 4. Minnesota Statutes 1992, section 103G.271, is amended by adding a subdivision to read:

*Subd. 6a. [PAYMENT OF FEES FOR PAST UNPERMITTED APPROPRIATIONS.] An entity that appropriates water without a required permit under subdivision 1 must pay the applicable water use permit processing fee specified in subdivision 6 for the period during which the unpermitted appropriation occurred. This fee is in addition to any other fee or penalty assessed."*

Page 4, line 23, delete "CONTINGENCY" and insert "EMERGENCY"

Page 4, line 24, after "*supplier*" insert "*servicing more than 1,000 people*" and delete "*a contingency*" and insert "*an emergency*"

Page 4, line 26, delete "*include*" and insert "*address*" and delete the comma and insert "*and*"

Page 4, line 27, delete the comma and after "*and*" insert "*must*"

Page 4, line 31, after "*suppliers*" insert "*servicing more than 1,000 people*"

Page 4, line 36, delete everything after "*include*" and insert "*evaluation of conservation rate structures and a public*"

Page 5, line 3, after "*suppliers*" insert "*servicing more than 1,000 people*"

Page 5, after line 7, insert:

"(d) For the purposes of this subdivision, "*public water supplier*" means an entity that owns, manages, or operates a public water supply, as defined in section 144.382, subdivision 4."

Page 9, line 22, delete "*water, including reuse as potable water*" and insert "*wastewater*"

Page 11, line 23, delete "*continually*"

Page 11, line 30, delete "*and*"

Page 13, line 34, delete the second comma.

Page 13, line 35, after "*locations*" insert a comma.

Page 14, line 17, delete "*to share*" and insert "*for sharing*"

Page 14, line 22, delete the comma

Page 14, line 25, delete "*for those communities served by groundwater,*"

Page 14, line 27, after "*adopted*" insert "*by the commissioner of health*" and before the period, insert "*, subdivision 5, clause (9)*"

Page 15, line 7, strike the period and insert a semicolon

Page 15, line 9, strike the period and insert "*; and*"

Page 15, line 17, after "*shall*" insert "*, by January 1, 1994,*"

Page 15, line 18, delete everything after "*of*" and insert "*the water supply plans required in subdivision 3, clause (4).*"

Page 15, line 36, delete "*effectiveness*" and insert "*status of implementation*"

Page 16, line 1, delete "*shall*" and insert "*may*"

Page 16, line 5, delete "*water(s)*" and insert "*waters*"

Page 16, line 7, delete "*, subdivision 1*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, delete "*subdivisions 1,*" and insert "*subdivision*"

Page 1, line 12, delete "a subdivision" and insert "subdivisions"

And when so amended the bill do pass and be re-referred to the Committee on Metropolitan and Local Government. Amendments adopted. Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 607: A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 88.04, subdivision 3; 103B.245, subdivision 3; 103B.251, subdivision 8; 103G.625, subdivision 3; 103B.635, subdivision 2; 103B.691, subdivision 2; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 373.40, subdivision 6; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.218; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivisions 6 and 7; 469.107, subdivision 1; 469.188; 471.191, subdivision 2; 471.1921; 471.24; 471.57, subdivision 1; 471.571, subdivision 2; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; 641.23; and Laws 1915, chapter 316, section 1, as amended; Laws 1933, chapter 423, section 2; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1943, chapter 196, section 6, as amended; chapter 367, section 1, as amended; chapter 510, section 1; Laws 1947, chapter 224, section 1; chapter 340, section 4; Laws 1949, chapter 215, section 2; chapter 252, section 1; chapter 668, section 1; Laws 1953, chapter 154, section 3; chapter 545, section 2; Laws 1957, chapter 213, section 1; chapter 629, section 1; Laws 1959, chapter 298, section 2; chapter 520, section 1; chapter 556, section 1, as amended; Laws 1961, chapter 30, section 1; chapter 80, section 1; chapter 81, section 1; chapter 82, section 1; chapter 119, section 1; chapter 151, section 1; chapter 209, section 4; chapter 276, section 1; chapter 317, section 1; chapter 352, section 1, as amended; chapter 439, section 1; chapter 616, section 1, subdivision 1; chapter 643, section 1; Laws 1961, Extra Session chapter 33, section 3; Laws 1963, chapter 29, section 1; chapter 56, section 1; chapter 103, section 1; chapter 228, section 1; chapter 603, section 1; Laws 1965, chapter 6, section 2, as amended; chapter 442, section 1; chapter 451, section 2; chapter 512, section 1, subdivision 1; chapter 527, section 1; chapter 617, section 1; Laws 1967, chapter 501, section 1; chapter 526, section 1, subdivision 3; chapter 542, section 1, subdivision 3; chapter 611, section 1; chapter 660, section 2, subdivision 2; chapter 758, section 1; Laws 1967, extra session chapter 47, sections 1, as amended, and 3, as amended; Laws 1969, chapter 192, section 1, as amended; chapter 534, section 2; chapter 538, section 6, as amended; chapter 602, section 1, subdivision 2; chapter 652, section 1; chapter 659, section 3; chapter 730, section 1; Laws 1971, chapter 168, section 1; chapter 326, section 17, subdivisions 1 and 2; chapter 356, section 2; chapter 404, section 1; chapter 424, section 1; chapter 443, section 4; chapter 515, section 1; chapter 573, sections 1, and 2, as amended; chapter 876, section 3; Laws 1973, chapter 81, section 1; chapter 445, section 1; Laws 1977, chapter 61, section 8; chapter 246, section 1, subdivision 1; Laws 1979, chapter 1, section 3; chapter 253, section 3; chapter 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1984, chapter 380, section 1; chapter 502, article 13, section 8; Laws 1985, chapter 181, section

1; chapter 289, sections 1; 3; 5, subdivision 1; and 6; Laws 1986, chapter 392, section 1; chapter 399, article 1, section 1; as amended; Laws 1988, chapter 517, section 1; chapter 640, section 3; Laws 1989, chapter 245, section 1, as amended; Laws 1990, chapter 604, article 3, sections 59, subdivision 1; and 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 4; 469.053, subdivision 4; 471.63, subdivision 2; and Laws 1971, chapter 168, section 2; and chapter 770; Laws 1974, chapter 209; Laws 1977, chapter 246, section 1, subdivision 2; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; Laws 1991, chapter 3, section 2, subdivision 3; chapter 291, article 4, section 21.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

##### PURPOSE

###### Section 1. [STATEMENT OF PURPOSE.]

*The purpose of this act is to eliminate obsolete and redundant property tax levy limitations which affect numerous political subdivisions. The legislature intends only that the specific rate or amount limitation which is contained in these provisions be stricken or repealed. The legislature does not intend that a political subdivision's authority to levy property taxes for any of these purposes be repealed or eliminated. It is the intention of the legislature that each political subdivision which is affected by this act be able to levy property taxes for the purposes cited in the provisions amended or repealed by this act, either under the authorities of these provisions as amended, or under its general powers. However, it is also the intention of the legislature not to increase, decrease, eliminate, or change in any way, the amount of an appropriation or spending limit by the provisions of this act, even though the language of this act may change the wording or method of calculation for an appropriation or spending limit.*

#### ARTICLE 2

##### COUNTY TAX LEVY LIMITATIONS OF GENERAL APPLICATION

Section 1. Minnesota Statutes 1992, section 18.022, subdivision 2, is amended to read:

Subd. 2. [COST.] ~~(a) To defray the cost of the activities under subdivision 1, The governing body of the political subdivision may levy a tax which, except when levied by a county, must not exceed 0.01596 percent of taxable market value in any year in excess of charter limitations, but not more than 50 cents per capita, except that the levy for the grasshopper control program under sections 18.0223 to 18.0227 is not subject to the 50 cents per capita limitation. The political subdivision may make the levy, where necessary, separate from the general levy.~~

(b) ~~If, because of the prevalence of Dutch elm disease, the governing body of such a political subdivision is unable to defray the cost of control activities authorized by this section within the limits set by this subdivision, the limits set by this subdivision are increased to 0.03216 percent of taxable market value, but not more than one dollar per capita on the taxable property within the subdivision to defray the cost of the activities authorized under subdivision 1.~~

Sec. 2. Minnesota Statutes 1992, section 18.111, subdivision 1, is amended to read:

Subdivision 1. [LEVY LIMIT.] An annual levy ~~not to exceed 0.00798 percent of market value tax~~ may be levied for mosquito abatement purposes on all taxable property in any governmental unit undertaking mosquito abatement as provided in sections 18.041 to 18.161. The tax shall be certified, levied, and collected in the same manner as other taxes levied by the governmental unit.

Sec. 3. Minnesota Statutes 1992, section 174.27, is amended to read:

174.27 [PUBLIC EMPLOYER COMMUTER VAN PROGRAMS.]

Any statutory or home rule charter city, county, school district, independent board or agency may acquire or lease commuter vans, enter into contracts with another public or private employer to acquire or lease such vans, or purchase such a service for the use of its employees. The governing body of any such city, county, or school district may by resolution establish a commuter van revolving fund to be used to acquire or lease commuter vans for the use of its employees. Any payments out of the fund shall be repaid to the fund out of revenues derived from the use by the employees of the city, county, or school district, of the vans so purchased or leased. ~~For the purpose of establishing the fund any city, county, or school district is authorized to make a one time levy not to exceed 0.00242 percent of taxable market value in excess of all taxing limitations without affecting the amount or rate of taxes which may be levied by the city, county, or school district for other purposes or by any local governments in the area.~~ Any city, county, or school district which establishes a commuter van acquisition program or contracts for this service is authorized to levy a tax ~~not to exceed 0.00024 percent of taxable market value annually on all taxable property in the subdivision~~ for the purpose of ~~establishing a commuter van revolving fund and~~ of paying the administrative and promotional costs of the program which ~~levy shall~~ may be in excess of all ~~charter~~ taxing limitations. The governing body of any city, county, or school district may by resolution terminate the commuter van revolving fund and use the funds for other purposes authorized by law.

Sec. 4. Minnesota Statutes 1992, section 375.167, subdivision 1, is amended to read:

Subdivision 1. [APPROPRIATIONS.] Notwithstanding any contrary law, a county board may appropriate from the general revenue fund to any nonprofit corporation a sum not to exceed ~~an amount equal to a levy of~~ 0.00604 percent of taxable market value to provide legal assistance to persons who are unable to afford private legal counsel.

Sec. 5. Minnesota Statutes 1992, section 375A.13, subdivision 2, is amended to read:



Subd. 2. [COMPENSATION; EXPENSES.] The members of the commission shall serve without compensation but may be reimbursed their necessary expenses in carrying out the business of the commission. The commission may employ and determine the compensation of such staff as it deems necessary. The necessary expenses of the commission and the cost of printing the commission's report and recommendations shall be paid by the county if so ordered by the commission. The amount of reasonable and necessary commission expenses that shall be so paid by the county shall not exceed in any one year the sum of \$5,000 but the county board may authorize additional commission expenses as it deems necessary. The county board may levy a tax in excess of tax limitations annually on the taxable property in the county to pay such expenses.

Sec. 6. Minnesota Statutes 1992, section 469.053, subdivision 7, is amended to read:

Subd. 7. [COUNTY LEVY.] The county board of a county having a port authority city may make an appropriation for the use of the port authority and may levy the amount of the appropriation in its general revenue levy. The levy for this appropriation is subject to the county's levy limits.

Sec. 7. [REPEALER.]

*Minnesota Statutes 1992, section 373.40, subdivision 6; and Laws 1991, chapter 291, article 4, section 21, are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective for property taxes levied in 1993, payable in 1994, and thereafter.*

### ARTICLE 3

#### CITY TAX LEVY LIMITATIONS OF GENERAL APPLICATION

Section 1. Minnesota Statutes 1992, section 12.26, subdivision 2, is amended to read:

Subd. 2. To provide moneys for civil defense purposes authorized by this chapter, a political subdivision is empowered to levy a tax annually upon all taxable property in the political subdivision, except as provided in subdivision 4, a tax in excess of and over and above all charter taxing limitations in such amount as may be necessary to pay such expenditures. The total amount of a tax levied under authority of this section, except when levied by a county, shall not exceed 40 cents per capita based on the last federal regular or special census, except in a political subdivision in which such tax will not produce a total amount of \$1,000 in which event a tax sufficient to produce \$1,000 or so much thereof as may be necessary may be levied.

Sec. 2. Minnesota Statutes 1992, section 88.04, subdivision 3, is amended to read:

Subd. 3. All towns and cities shall take necessary precautions to prevent the starting and spreading of forest or prairie fires and to extinguish them. They may levy a tax not more than 0.08059 percent of taxable market value annually on all taxable property in the city or town. The tax in any municipality shall not exceed \$3,000 in any year. The tax when collected shall be known as the fire fund and kept separate from all other funds and used only

to pay all necessary and incidental expenses incurred in enforcing the provisions of sections 88.03 to 88.21. Up to \$500 shall be expended in any one year from any such fire fund for the support of any municipal fire department. No municipality shall make any levy for its fire fund at any time when the fund contains \$5,000 or more, including cash on hand and uncollected taxes that are not delinquent.

Sec. 3. Minnesota Statutes 1992, section 103G.625, subdivision 3, is amended to read:

Subd. 3. [FUNDING.] (a) The governing body of a municipality or town may use any available funds and may levy a tax ~~not to exceed the lesser of (1) 0.01596 percent of taxable market value, or (2) 50 cents per capita, on all taxable property in the municipality or town~~ to implement this section.

(b) To provide funds in advance of collection of the tax levies, the governing body may, at any time after the tax has been levied and certified to the county auditor for collection, issue certificates of indebtedness in anticipation of the collection and payment of the tax. The total amount of the certificates, including principal and interest, may not exceed 90 percent of the amount of the levy and must become payable from the proceeds of the levy not later than two years from the date of issuance. The certificates shall be issued on terms and conditions as the governing body may determine and sold as provided in section 475.60.

(c) If the governing body determines that an emergency exists, it may make appropriations from the proceeds of the certificates for authorized purposes without complying with statutory or charter provisions requiring that expenditures be based on a prior budget authorization or other budgeting requirement.

(d) The proceeds of a tax levied or an issue of certificates of indebtedness must be deposited in a separate fund and expended only for purposes authorized by this section. If a disbursement is not made from the fund for a period of five years, money remaining in the fund may be transferred to the general fund.

Sec. 4. Minnesota Statutes 1992, section 138.053, is amended to read:

138.053 [COUNTY HISTORICAL SOCIETY; TAX LEVY; CITIES OR TOWNS.]

The governing body of any home rule charter or statutory city or town excepting cities of the first class may *annually* appropriate ~~annually an amount~~ from its general fund ~~of an amount~~ not to exceed ~~the amount raised by a levy~~ of 0.02418 percent of taxable market value, *derived from ad valorem taxes on property or other revenues*, to be paid to the historical society of its respective county to be used for the promotion of historical work and to aid in defraying the expenses of carrying on the historical work in the county. No city or town may appropriate any funds for the benefit of any historical society unless the society is affiliated with and approved by the Minnesota historical society.

Sec. 5. Minnesota Statutes 1992, section 193.145, subdivision 2, is amended to read:

Subd. 2. [TAX LEVY, LIMITATION.] A county or municipality in which an armory has been constructed or is to be constructed hereunder may by resolution of its governing body irrevocably provide for levying and collecting

annually for a specified period, not exceeding 40 years, a tax which, unless levied by a county, shall not exceed 0.00798 percent of taxable market value on the taxable property in the county or municipality.

The proceeds of the levy shall be paid to the corporation for the purposes herein prescribed. The county or municipality may make the levies and payments and bind itself thereto by resolution of its governing body. The provisions of the resolution may be made conditional upon the giving of an agreement by the adjutant general as authorized in subdivision 4. The obligations of the county or municipality to levy, collect, and pay over the taxes shall not be deemed to constitute an indebtedness of the county or municipality within the meaning of any provision of law or of its charter limiting its total or net indebtedness, and such taxes may be levied and collected without regard to any statutory or charter provision limiting the amount or rate of taxes which such county or municipality is otherwise authorized to levy.

Sec. 6. Minnesota Statutes 1992, section 268A.06, subdivision 2, is amended to read:

Subd. 2. [FUNDING.] In order to provide the necessary funds for extended employment programs offered by a rehabilitation facility, the governing body of any city, town, or county may expend money which may be available for such purposes in the general fund, and may levy a tax which, except when levied by a county, shall not exceed in any one year the following amounts per capita of the population, based upon the last federal census: Cities of the first class, not to exceed ten cents per capita; cities of other than the first class, and towns, not to exceed 30 cents per capita on the taxable property in the city, town, or county. Any city, town, county, or nonprofit corporation may accept gifts or grants from any source for the rehabilitation facility. Any money appropriated, taxed, or received as a gift or grant may be used to match funds available on a matching basis.

Sec. 7. Minnesota Statutes 1992, section 398.16, is amended to read:

#### 398.16 [TAX LEVY, BUDGET.]

The park district board, as soon after organization as practicable and on or before the first day of July of each year thereafter, shall prepare a detailed budget of its proposed expenditures during the next fiscal year, other than those to be met by bond issues or by revenues described in section 398.17 and section 398.09, paragraph (d), which budgets shall in no year exceed 18 cents per person in the district as determined by the last federal decennial census. But no such assessment shall be made upon the people or property of a city of the first class.

As soon after organization as practicable, and on the first day of July each year thereafter, the park district board shall certify to the governing body of each township, town or city included in the district, the budget adopted pursuant to this section, together with a statement of the proportion of the budget to be provided by such governmental subdivision. The budget shall be apportioned among such subdivisions within the district in the same proportion as their respective populations bear to the total population of the district, population figures to be based on the last federal decennial census.

For the purpose of this section the governing body of any city means that board, council, commission or officer authorized by law or charter to levy

taxes for park and recreation purposes and the governing body of each unorganized township means the county board. It shall be the duty of each such governing body in the district to provide the funds necessary to meet its proportionate share of such budget, such funds to be raised by tax levies or other means within the authority of said governing bodies, and to pay the same over to the treasurer of the district in such amounts and at such times as may fairly be required by the park district board.

Any such governing body is hereby authorized to levy annually upon all taxable property within its boundaries a tax at the rate necessary to raise, at 98 percent collection, its proportionate share of the park district's budget, which tax, except in the case of cities of the first class, may be levied in excess of and over and above all other charter tax limitations.

All moneys received from said levies shall be turned over by the county treasurer collecting the same to the treasurer of the park district. All moneys received by the park district shall be used to carry out the powers and duties imposed on the park district board by this chapter and shall not be subject to review or reduction by other boards, commissions or councils.

If the governing body of any subdivision fails before October 1 of any year to pay its proportionate share of the park district budget for the next fiscal year or to certify to the county auditor a tax levy specifically designated for said purpose, the park district board shall certify to the county auditor of each county in which such governmental subdivision is located such amount of taxes as is deemed necessary to raise such subdivision's proportionate share of the budget, for collection with and as a part of other taxes on taxable property within such subdivision, which tax, may be levied in excess of and over and above all other tax limitations.

The park district board may by resolution, submit to the electors of the park district at a general or primary state election the question of raising the limit on the park district's budget from 18 cents to not to exceed 35 cents per person in the district. Any resolution providing for an election on raising the budgetary limit shall specify the proposed additional amount per person in the district to be authorized and the number of consecutive years such increase in the limit shall be effective. The resolution shall be certified to the county auditor of each county wherein lies any part of the territory of the district, and the county auditor or auditors shall cause the same to be submitted to the electors residing within such territory at the next ensuing general or primary election on a ballot setting forth the proposed additional amount per person and the number of years such increase shall be effective as provided in the resolution, and shall forward the official returns of the judges of election in the precincts voting on such ballot to the park district board for canvass, and the increase shall be authorized if approved by a majority of the electors of the district voting on such ballot.

The board may borrow money in anticipation of the collection of all taxes levied in its behalf and issue the negotiable notes of the district in an amount not in excess of 90 percent of the amount so levied which has not been received by the district at the time of the borrowing. Such notes shall mature not later than March 1 of the year following the year in which the tax levies are to be collected and shall be payable primarily from the proceeds of the levies anticipated thereby, but the full faith and credit of the district shall be pledged to the payment of the notes, and if such levies are not sufficient to pay all principal due and interest accrued thereon the park district board shall levy

for the repayment of the principal and interest on such notes and ad valorem tax in the next ensuing year and for so long thereafter as may be necessary upon all of the taxable property within its corporate limits, which levy may be made without limitation as to rate or amount and shall not be included in applying statutory limitations to other tax levies.

Sec. 8. Minnesota Statutes 1992, section 410.06, is amended to read:

410.06 [COMPENSATION; EXPENSES.]

The members of such commission shall receive no compensation, but the commission may employ an attorney and other personnel to assist in framing such charter, and any amendment or revision thereof, and the reasonable compensation and the cost of printing such charter, or any amendment or revision thereof, when so directed by the commission, shall be paid by such city. The amount of reasonable and necessary charter commission expenses that shall be so paid by the city shall not exceed in any one year the sum of \$10,000 for a first class city and \$1,500 for any other city; but the council may authorize such additional charter commission expenses as it deems necessary. Other statutory and charter provisions requiring budgeting of, or limiting, expenditures do not apply to charter commission expenses. The council may levy a tax in excess of statutory or charter tax limitations to pay such expenses.

Sec. 9. Minnesota Statutes 1992, section 449.09, is amended to read:

449.09 [BANDS, ORCHESTRAS OR CHORUSES, TAX LEVY.]

Cities of the second, third, or fourth class, statutory cities, or towns, however organized, may, when authorized as provided in section 449.10, levy each year a tax not to exceed 0.02418 percent of taxable market value on all taxable property in the city or town for the purpose of providing a fund for the maintenance, transportation, or employment of a band, orchestra, or chorus for municipal purposes. No levy by any municipality shall exceed, in any one year, \$10,000 except in cities of the second class, situated in a county having over 45,000 and less than 49,000 inhabitants according to the 1950 federal census, in which the levy shall not exceed \$25,000 in any one year. No levy by any town shall exceed \$1,500. All sums shall be separately levied and when collected these sums shall be paid into a special fund and used for these purposes. When taxes are levied and collected for the maintenance or employment of a band, orchestra, or chorus for municipal purposes and the band, orchestra, or chorus is discontinued or the city or town by a vote of the people as now provided by law decide not to employ a band, orchestra, or chorus, the governing body may transfer the sums so levied and collected to the general fund. No levy shall be made for any such fund when there is in the fund an unexpended balance equal to the maximum levy permitted by this section.

Sec. 10. Minnesota Statutes 1992, section 450.19, is amended to read:

450.19 [TOURIST CAMPING GROUNDS.]

A home rule charter or statutory city or town may establish and maintain public tourist camping grounds. The governing body thereof may acquire by lease, purchase, or gift, suitable lands located either within or without the corporate limits for use as public tourist camping grounds and provide for the equipment, operation, and maintenance of the same. The amount that may be expended for the maintenance, improvement, or operation of tourist camping

grounds shall not exceed, in any year, a sum equal to ~~the amount raised by a tax of 0.00806 percent of taxable market value.~~

Sec. 11. Minnesota Statutes 1992, section 459.06, subdivision 1, is amended to read:

Subdivision 1. [ACCEPT DONATIONS.] Any county, city, or town may by resolution of its governing body accept donations of land that the governing body deems to be better adapted for the production of timber and wood than for any other purpose, for a forest, and may manage it on forestry principles. The donor of not less than 100 acres of any such land shall be entitled to have the land perpetually bear the donor's name. The governing body of any city or town, when funds are available or have been levied therefor, may, when authorized by a majority vote by ballot of the voters voting at any general or special city election or town meeting where the question is properly submitted, purchase or obtain by condemnation proceedings, and preferably at the sources of streams, any tract of land for a forest which is better adapted for the production of timber and wood than for any other purpose, and which is conveniently located for the purpose, and manage it on forestry principles. The selection of the lands and the plan of management must be approved by the director of lands and forestry. The city or town may *annually* levy a tax ~~not exceeding 0.04030 percent of on all taxable market value property within its boundaries~~ to procure and maintain such forests.

Sec. 12. Minnesota Statutes 1992, section 459.14, subdivision 2, is amended to read:

Subd. 2. [FINANCING.] The municipality may pay for any portion of the cost of providing automobile parking facilities by:

- (1) appropriating money as authorized in subdivision 1;
- (2) levying a tax, ~~not exceeding 0.00403 percent of on the taxable market value property within the municipality;~~
- (3) levying special assessments against benefited property;
- (4) appropriating any or all net revenues derived from the operation of its parking facilities;
- (5) classifying the users of the facilities as a subject for taxation, and imposing taxes thereon computed according to the extent of use of the facilities;
- (6) imposing reasonable rates, rents, fees, and charges for the use of any on-street or off-street parking privilege or facility, which may be in excess of actual cost of operation, maintenance, regulation, and supervision of parking at the particular location where the privilege is exercised;
- (7) leasing any off-street facilities at specified or determinable rents to be paid to the municipality under a lease made as provided in subdivision 4;
- (8) borrowing money and issuing bonds as authorized and limited by subdivision 3; or
- (9) any combination of the foregoing.

Sec. 13. Minnesota Statutes 1992, section 471.191, subdivision 2, is amended to read:

Subd. 2. Any such city may issue bonds pursuant to chapter 475, for the acquisition and betterment of land, buildings, and facilities for the purpose of carrying out the powers granted by this section. Such bonds, unless authorized as general obligations of the issuer pursuant to approval of the electors or pursuant to another law or charter provision permitting such issuance without an election, shall be payable solely from the income of land, buildings, and facilities used or useful for the operation of the program, but may be secured by a pledge to the bondholders, or to a trustee, of all income and revenues of whatsoever nature derived from any such land, buildings, and facilities, as a first charge on the gross revenues thereof to the extent necessary to pay the bonds and interest thereon when due and to accumulate and maintain an additional reserve for that purpose in an amount equal to the total amount of payments to become due in any fiscal year. In this event the governing body of the issuer may by resolution or trust indenture define the land, buildings, or facilities, the revenues of which are pledged, and establish covenants and agreements to be made by the issuer for the security of the bonds, including a covenant that the issuer will establish, maintain, revise when necessary, and collect charges for all services, products, use, and occupancy of the land, buildings, and facilities, in the amounts and at the times required to produce the revenues pledged, and also sufficient, with any other funds appropriated by the governing body from time to time, to provide adequately for the operation and maintenance of the land, buildings, and facilities. After the issuance of any bonds for which revenues are so pledged, the governing body of the issuer shall provide in its budget each year for any anticipated deficiency in the revenues available for such operation and maintenance. For this purpose any issuer other than a city of the first class may levy a tax of not more than 0.01612 percent of on the taxable market value property within its boundaries, in excess of taxes which may otherwise be levied within legal and charter limitations, provided the excess levy for a city subject to a charter limitation is approved by a majority of its electors voting on the question at a regular or special election. The authority to levy additional taxes granted herein shall not apply to cities or towns in which the net tax capacity consists in part of iron ore or lands containing taconite or semitaconite.

Sec. 14. Minnesota Statutes 1992, section 471.57, subdivision 1, is amended to read:

Subdivision 1. [TAX LEVY.] The council of any city, however organized, may establish by ordinance a public works reserve fund and may annually levy taxes within existing charter limits for the support of such fund. It may, by the ordinance establishing the fund, designate a specific capital improvement or a type of capital improvement for which the fund is to be used. The proceeds of taxes levied for its support shall be paid into the public works reserve fund. There may be paid into such fund any other revenue not required by statute or charter to be paid into some other fund or used for purposes other than those provided in this section for the use of the public works reserve fund.

Sec. 15. Minnesota Statutes 1992, section 471.61, subdivision 1, is amended to read:

Subdivision 1. [OFFICERS, EMPLOYEES.] A county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department of the state, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure

or protect its or their officers and employees, and their dependents, or any class or classes of officers, employees, or dependents, under a policy or policies or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits and hospitalization insurance or benefits for both employees and dependents or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of those forms of insurance or protection. A governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on the insurance or protection. A payment is deemed to be additional compensation paid to the officers or employees, but for purposes of determining contributions or benefits under a public pension or retirement system it is not deemed to be additional compensation. One or more governmental units may determine that a person is an officer or employee if the person receives income from the governmental subdivisions without regard to the manner of election or appointment, including but not limited to employees of county historical societies that receive funding from the county. The appropriate officer of the governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of premiums or charges and remit the share or portion to the insurer or company issuing the policy or contract.

A governmental unit, other than a school district, that pays all or part of the premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary money for the payment of the premiums or charges, and the sums levied and appropriated are not, in the event the sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, considered part of the cost of government of the governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents must be contributed by the employee or be paid by levies within existing per capita charter tax limitations.

The word "dependents" as used in this subdivision means spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Sec. 16. Minnesota Statutes 1992, section 471.61, subdivision 2a, is amended to read:

Subd. 2a. [RETIRED OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, including the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their retired officers and retired employees entitled to benefits under any public employees retirement act and their dependents, or any class or classes thereof, under a policy or policies, or contract or contracts of group insurance or benefits covering life, health, and accident, medical and surgical benefits, or hospitalization insurance or benefits, for retired officers and retired employees and their dependents, or any one or more of such forms of insurance or protection. Any such governmental unit, including county extension committees, may pay all or any part of the premiums or charges on such insurance or protection or may require the retired officer or employee to



pay all or part of the premiums or charges. Any one or more of such governmental units may determine that a person is a retired officer or a retired employee if such officer or employee, when employed, received income from such governmental subdivisions without regard to the manner of election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall collect from each such retired officer and retired employee who elects to become insured or so protected, on such officer's or employee's written order, all or part of the retired officer's or retired employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract. An insurer, health maintenance organization, or company issuing the policy or contract may not require a public employer to contribute any portion of the retired officer's or employee's share as a condition of eligibility for the insurance or protection. An insurer, health maintenance organization, or company issuing the policy or contract may require a retired officer or a retired employee to pay all or any part of the premiums or charges.

Any governmental unit, other than a school district, which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the retired officer or retired employee or be paid by levies within existing per capita charter tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the retired officer or retired employee.

Sec. 17. [REPEALER.]

*Minnesota Statutes 1992, sections 471.1921; and 471.63, subdivision 2, are repealed.*

Sec. 18. [EFFECTIVE DATE.]

*Sections 1 to 17 are effective for property taxes levied in 1993, payable in 1994, and thereafter.*

#### ARTICLE 4

#### CHARTER CITY AND STATUTORY CITY TAX LEVY LIMITATIONS OF GENERAL APPLICATION

Section 1. Minnesota Statutes 1992, section 412.251, is amended to read:  
412.251 [ANNUAL TAX LEVY.]

The council shall make its annual tax levy by resolution. The following taxes may be levied as authorized:

(1) a tax for the payment of principal and interest on outstanding obligations of the city as provided by sections 475.61, 475.73, and 475.74;

- (2) a tax for the payment of judgments as authorized by section 465.14;
- (3) a ~~maximum of 0.00805 percent of taxable market value but not to exceed \$500 tax~~ to provide musical entertainment to the public in public buildings or on public grounds;
- (4) a tax for band purposes as authorized by section 449.09;
- (5) a tax for the support of a municipal forest, as authorized by section 459.06;
- (6) a tax for advertising purposes, as authorized by section 469.189;
- (7) a tax for forest fire protection in any city in a forest area, as authorized by section 88.04;
- (8) a ~~maximum of 0.04030 percent of taxable market value tax~~ for the utilities fund in any city whose utilities are under the jurisdiction of a public utilities commission. The tax shall be levied for the purpose of paying the cost of the utility service or other services supplied to the city;
- (9) a tax for the support of a public library, as authorized by section 134.07;
- (10) a tax for firefighters' relief association purposes as authorized by sections 69.772, subdivision 4, 69.773, subdivision 5, or other statutes; and
- (11) other special taxes authorized by law.

~~Nothing in this section shall be construed to reduce levies of any municipality below the per capita levy spread in 1970.~~

Sec. 2. Minnesota Statutes 1992, section 449.06, is amended to read:

449.06 [ENTERTAINMENT TAX IN CITIES OF THE FOURTH CLASS.]

The governing body of any city of the fourth class operating under a home rule charter of commission form of government may levy a tax ~~not exceeding 0.01209 percent of taxable market value~~ for the purpose of providing musical entertainments to the public in public buildings or upon public grounds. The total sum that may be ~~levied or~~ expended in any year shall not exceed \$3,500.

Sec. 3. Minnesota Statutes 1992, section 449.08, is amended to read:

449.08 [TAX LEVY FOR MUSICAL ENTERTAINMENTS IN CITIES OF THE THIRD CLASS.]

The council of any city of the third class may levy a tax ~~not exceeding 0.00806 percent of taxable market value~~ for the purpose of providing free musical entertainment for the general public. The proceeds of this tax shall be used only for the purpose of providing free musical entertainment for the public. The annual expenditure for this purpose is limited to \$3,000.

Sec. 4. Minnesota Statutes 1992, section 465.54, is amended to read:

465.54 [MAY PAY EXPENSES FROM GENERAL FUND OF STATUTORY CITY.]

The council of any statutory city may pay from the general fund of the municipality, for the purposes of section 469.186, expenses incurred by the governing officers in the performance of their official duties. Trips for lobbying purposes or trips to meetings or conventions not in connection with

specific municipal projects pending before the officer making the trip are not authorized for payment under this section.

All expenditures for the purposes of this section shall be within the statutory limits upon tax levies in the statutory city.

Sec. 5. Minnesota Statutes 1992, section 469.188, is amended to read:

469.188 [TAX FOR ADVERTISING RESOURCES; CITIES OF SECOND OR THIRD CLASS.]

The governing body of any city of the second or third class in this state may levy a tax not to exceed ~~0.00806~~ percent of taxable market value for the purpose of advertising agricultural, industrial business, and all other resources of the community.

Sec. 6. Minnesota Statutes 1992, 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 market value of not less than \$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 annual 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. 7. [REPEALER.]

*Laws 1915, chapter 316, section 1, as amended by Laws 1917, chapter 426, section 1, is repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective for property taxes levied in 1993, payable in 1994, and thereafter.*

## ARTICLE 5

### TOWN TAX LEVY LIMITATIONS OF GENERAL APPLICATION

Section 1. Minnesota Statutes 1992, section 164.04, subdivision 3, is amended to read:

Subd. 3. [EMERGENCIES.] In case of emergency after the town meeting, but not later than October 1 in the same year, the town board may levy a tax on the property in the town for road and bridge purposes, in addition to any tax voted at the annual town meeting for road and bridge purposes, in an amount not to exceed ~~0.04028~~ percent of taxable market value. Any tax so levied shall be certified to the county auditor for extension and collection. The town board may thereafter pledge the credit of the town by issuing town orders, not exceeding the amount of the additional tax so levied for road and bridge purposes, in payment for the emergency work done or material used on the roads within the town.

Sec. 2. Minnesota Statutes 1992, section 164.05, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] In any town in which the voters authorize the town board to do so as provided in this section, the town board may levy a tax not to exceed 0.08051 percent of taxable market value. The tax shall be known as the town road drainage tax.

Sec. 3. Minnesota Statutes 1992, section 237.35, is amended to read:

#### 237.35 [TAX LEVY FOR CONSTRUCTION.]

When any town has authorized the construction, acquiring, operation, or maintenance of a telephone system, as set forth in sections 237.33 and 237.34, and determined the amount of money to be raised for that purpose, the town board of supervisors may levy a tax for the amount of money to be raised therefor. The tax levy for that purpose shall not exceed 0.08051 percent of taxable market value.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective for property taxes levied in 1993, payable in 1994, and thereafter.*

### ARTICLE 6

#### TAX LEVY LIMITATIONS FOR PARTICULAR COUNTIES

Section 1. Minnesota Statutes 1992, section 383A.03, subdivision 4, is amended to read:

Subd. 4. [ICE ARENAS AND GALL'S GOLF COURSE.] Ramsey county may levy, annually, a tax not to exceed 0.02418 percent of on all taxable market value property in the county for the acquisition and construction of nine artificial ice arenas and a golf course, to pay the interest on the bonds as it accrues and to pay the principal thereof in full at maturity, and not to exceed 0.01209 percent of taxable market value to provide for the operation of these facilities. The board of county commissioners shall levy a tax for this purpose.

Sec. 2. Minnesota Statutes 1992, section 383A.411, subdivision 5, is amended to read:

Subd. 5. In substitution of, but not in addition to, powers granted to Ramsey county in subdivision 4, Ramsey county may levy and collect a tax, not to exceed the lesser of \$5,000,000 or 0.04835 percent of on all taxable market value property in the county to finance the construction, installation, modification, or improvement of heating, cooling, and domestic hot water systems serving buildings owned in whole or part, operated, or maintained by the county or Ramsey county medical center commission.

Sec. 3. Minnesota Statutes 1992, section 383B.245, is amended to read:

#### 383B.245 [LIBRARY LEVY.]

The county board may also levy a tax of not more than 0.01612 percent of market value on the taxable property within the county outside of any city in which is situated a free public library of the city to acquire, better, and construct county library buildings and branches and to pay principal and interest on bonds issued for that purpose. The levy of the tax shall not cause

the amount of other taxes levied or to be levied by the county, which are subject to any limitation, to be reduced in any amount.

The county board may by resolution adopted by a five-sevenths vote issue and sell general obligation bonds of the county in the manner provided in sections 475.60 to 475.73. The bonds shall not be subject to the limitations of sections 475.51 to 475.59, but the maturity years and amounts and interest rates of each series of bonds shall be fixed so that the maximum amount of principal and interest to become due in any year, on the bonds of that series and of all outstanding series issued by or for the purposes of libraries, shall not exceed an amount equal to 0.01612 percent of market value of all taxable property in the county, which was not taxed in 1987 by any city for the support of any free public library, as last finally equalized before the issuance of the new series. When the tax levy authorized in this section is collected it shall be appropriated and credited to a debt service fund for the bonds in amounts required each year in lieu of a countywide tax levy for the debt service fund under section 475.61.

Sec. 4. Minnesota Statutes 1992, section 383C.42, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] To provide necessary funds to construct and maintain county or regional juvenile detention and/or treatment centers and to provide matching funds for any federal, state, or regional grant, the county boards of St. Louis, Carlton, Cook, Lake, Itasca, Koochiching, and Aitkin counties may levy, annually, a tax upon all taxable property in their respective counties a tax that does not exceed 0.01209 percent of market value.

Sec. 5. Minnesota Statutes 1992, section 473.711, subdivision 2, is amended to read:

Subd. 2. The metropolitan mosquito control commission shall prepare an annual budget. The budget may provide for expenditures in an amount not exceeding the property tax levy limitation determined in this subdivision. The commission may levy a tax on all taxable property in the district as defined in section 473.702 to provide funds for the purposes of sections 473.701 to 473.716. The tax shall not exceed the property tax levy limitation determined in this subdivision. A participating county may agree to levy an additional tax to be used by the commission for the purposes of sections 473.701 to 473.716 but the sum of the county's and commission's taxes may not exceed the county's proportionate share of the property tax levy limitation determined under this subdivision based on the ratio of its total net tax capacity to the total net tax capacity of the entire district as adjusted by section 270.12, subdivision 3. The auditor of each county in the district shall add the amount of the levy made by the district to other taxes of the county for collection by the county treasurer with other taxes. When collected, the county treasurer shall make settlement of the tax with the district in the same manner as other taxes are distributed to political subdivisions. No county shall levy any tax for mosquito, disease vectoring tick, and black gnat (*Simuliidae*) control except under sections 473.701 to 473.716. The levy shall be in addition to other taxes authorized by law.

The property tax levied by the metropolitan mosquito control commission shall not exceed the following amount for the years specified:

(a) for taxes payable in 1988, the product of six-tenths on one mill multiplied by the total assessed valuation of all taxable property located within the district as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(b) for taxes payable in 1989, the product of (1) the commission's property tax levy limitation for the taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property located within the district divided by the assessment year 1987 total market valuation of all taxable property located within the district;

(c) for taxes payable in 1990, 1991, and 1992, the product of (1) the commission's property tax levy limitation for the previous year determined under this subdivision multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property located within the district for the current assessment year divided by the total market valuation of all taxable property located within the district for the previous assessment year;

(d) for taxes payable in 1993, the product of (1) the commission's certified property tax levy for the previous year determined under this subdivision multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property located within the district for the current assessment year divided by the total market valuation of all taxable property located within the district for the previous assessment year; and

(e) for taxes payable in 1994 and subsequent years, the product of (1) the commission's property tax levy limitation for the previous year determined under this subdivision multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property located within the district for the current assessment year divided by the total market valuation of all taxable property located within the district for the previous assessment year.

For the purpose of determining the commission's property tax levy limitation 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 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).

Sec. 6. Laws 1943, chapter 367, section 1, as amended by Laws 1949, chapter 307, section 1; and Laws 1961, chapter 307, section 1, is amended to read:

Section 1. [Tax levies in Todd county.] The county board of Todd county may levy taxes of not to exceed four mills on a dollar of the taxable property of said county, exclusive of moneys and credits, in addition to all tax levies now authorized by law, to defray county expenses for snow removal from town roads, payable out of the road and bridge fund.

Sec. 7. Laws 1943, chapter 510, section 1, is amended to read:

Section 1. [Annual tax levy for county agricultural societies in certain counties.] In addition to all other powers now or hereafter by law conferred on county boards, authority is hereby given to county boards in counties having not less than 18 or more than 20 townships, full or fractional, and an area of

not less than 425,000 or more than 427,000 acres to annually levy a tax of ~~not to exceed one-half of a mill~~ upon all property subject to taxation, and from time to time to appropriate and pay over the proceeds of said tax, when collected, to any county agricultural society of its county and other organizations of said county holding local fairs therein, which in the opinion of the county commissioners will use such money for the best interests of such county in advertising, improving or developing the agricultural resources of such county; provided the county board may make such rules and regulations for the expenditure of such funds as it may deem proper and may require any such organization to agree in writing to expend such funds in accordance with such rules and regulations before receiving the same.

Sec. 8. Laws 1947, chapter 340, section 4, is amended to read:

Sec. 4. [Taxes, how levied.] Taxes shall be levied by said board for the support of the poor, including allowances to mothers for the support of dependent children and for said hospital as follows: On or before the first day of October in each year said board shall determine, by separate resolutions duly passed, the amount of taxes to be levied for the ensuing year for the support of the poor, including allowances to mothers for the support of dependent children in such county, the maintenance of the poor house and other buildings provided for the care of the poor, including the erection of any building or the making of any improvements for such purpose, and for the care, support, maintenance and operation of said hospital, including the construction or repair of any buildings therefor. The adoption of such resolution shall constitute a levy on the taxable property in such county to the full amount named therein, provided, however, that the tax so levied for said hospital purposes shall not exceed one mill upon the said taxable property in said county. On or before the fifth day of October in each year said board shall file a certified copy of each of said resolutions with the county auditor of such county, who shall thereupon enter the amount upon the tax list, and thereafter proceed to the assessing and collecting of such tax in the same manner as village or corporation taxes. Such taxes when collected shall be placed in, or credited to the hospital fund and to the poor fund, respectively. All allowances to mothers for the support of dependent children in such counties shall henceforth be paid from the poor fund of such counties. Provided further, that in each of such counties the Board of Poor and Hospital Commissioners is hereby authorized and directed to levy against the taxable property in its county, by resolution as above provided, in the year 1931, in addition to other authorized levies, an amount equal to the aggregate sum paid to mothers for the support of dependent children from the revenue fund of such county during the years 1928, 1929, 1930 and 1931, said levy to provide that the collection thereof shall be equally spread over a period of three years and that the proceeds thereof, when collected, shall be, by the auditor of such county, transferred to the revenue fund of such county.

Sec. 9. Laws 1949, chapter 252, section 1, is amended to read:

Section 1. [Certain counties; limited tax levy for bridge construction.] In addition to all other levies now provided by law, and regardless of any limitations as to county indebtedness, in any county having less than 10,000 inhabitants according to the 1940 federal census, and having less than 20 full and fractional congressional townships, and having a land area of less than 500 square miles, the county board may include in its annual levy ~~not to exceed five mills an amount~~ for a bridge construction fund.

Sec. 10. Laws 1949, chapter 668, section 1, is amended to read:

Section 1. [Certain counties may levy a ~~three mill~~ tax; proceeds credit to county building sinking fund.] The Board of County Commissioners in all counties of this state having a land area of more than 380 and less than 400 square miles, and having a population of more than 20,000, according to the last Federal census, may hereafter annually levy a tax ~~not to exceed three mills~~ for the purpose of providing funds for the present or future construction or repairing of buildings used or to be used for the administration of the affairs of the county, and for the grounds therefor, and the purchase of necessary equipment to be used in connection therewith. The proceeds from any tax so levied shall be credited to a special fund to be known as the County Building Sinking Fund. Any money credited to such fund shall be used solely for the purposes provided for in this act.

Sec. 11. Laws 1953, chapter 154, section 3, is amended to read:

Sec. 3. [Tax levy, hospital.] In addition to all other taxes which the county is authorized by law to levy and collect, the county board of any such county may levy a tax ~~of not more than one mill on the dollar~~ of the taxable valuation of the county for the purpose of maintaining, equipping, repairing, and operating the hospital. The proceeds of this tax shall be set aside in a special fund, to be known as the county hospital fund. The monies in this fund shall be used for no other purpose than that authorized.

Sec. 12. Laws 1957, chapter 213, section 1, is amended to read:

Section 1. [County health nurse program, tax levy.] In any county containing over 75 and less than 80 full and fractional congressional townships, having an assessed valuation of over \$2,000,000 and less than \$5,000,000 and over 19,000 and less than 21,000 inhabitants according to the 1950 federal census, the county board, may levy annually a tax ~~of not to exceed 2 mills~~ on all the taxable property in the county, for the county health nurse program.

Sec. 13. Laws 1959, chapter 556, section 1, as amended by Laws 1963, chapter 343, section 1, is amended to read:

Section 1. [Red River Valley; development.] The board of county commissioners of the counties of Kittson, Roseau, Marshall, Polk, Red Lake, Norman, Becker, Clay, Lake of the Woods, Mahnomon, Wilkin, and Clearwater may annually levy a tax ~~of not to exceed one fourth of one mill, in excess of existing limitations,~~ for the sole purpose of maintaining existing and new programs which develop and promote the natural resources of the counties of the Red River Basin of Minnesota. These tax moneys shall be provided to the "Minnesota Red River Valley Development Association" for allotment as appropriate.

Sec. 14. Laws 1961, chapter 151, section 1, is amended to read:

Section 1. [Otter Tail county, tax levy, state parks.] The county board of Otter Tail county may levy ~~not to exceed one mill a tax~~ on all the taxable property, real and personal, in Otter Tail county, and may appropriate and expend the proceeds thereof for the purpose of matching any appropriation made by the legislature for the acquisition of state park lands in Otter Tail county.

Sec. 15. Laws 1961, chapter 209, section 4, is amended to read:



Sec. 4. [Tax levy authorized.] The board of county commissioners of Anoka county are hereby authorized to levy a tax ~~not to exceed two mills on the dollar of the assessed valuation of~~ on all taxable property in the county to carry out the provisions of this act.

Sec. 16. Laws 1961, chapter 352, section 1, as amended by Laws 1963, chapter 287, section 1, is amended to read:

Section 1. [Library tax levy, Scott and Dakota counties.] The county boards of Dakota and Scott counties may levy, in addition to the library operating fund, a tax of ~~not more than one mill,~~ over the area in the respective counties served by the county library system for the acquisition and maintenance of library buildings, library operation, and library services.

~~The levy of such tax shall not cause the amount of other taxes levied, or to be levied by the respective counties, which are subject to any limitation, to be reduced in any amount whatsoever.~~

Sec. 17. Laws 1963, chapter 603, section 1, is amended to read:

Section 1. [Itasca county; garbage disposal.] The county board of Itasca county may provide for and regulate the disposal of garbage, and other refuse in unorganized townships, and do all things necessary to acquire dump sites and provide for their maintenance, either by contract or by such county agency as they may elect. The county board of Itasca county may levy taxes ~~not to exceed two mills~~ upon all the *taxable* property of the unorganized township or townships affected for the purposes of this section.

Sec. 18. Laws 1965, chapter 442, section 1, is amended to read:

Section 1. [Wadena county; courthouse.] The county board of Wadena county may levy annually a tax of ~~not to exceed eight mills on the dollar of~~ all taxable property in the county for a building fund for a new courthouse building. The levy of such tax shall be made at the same time as the levy for general purposes of the county are made. ~~The levy authorized herein is over and above and in excess of any per capita mill or other taxing limitation upon said county.~~

Sec. 19. Laws 1965, chapter 512, section 1, subdivision 1, is amended to read:

Subdivision 1. The board of county commissioners of Crow Wing county may levy a tax for town purposes ~~not exceeding 40 mills on the dollar of~~ taxable valuation of all the real and personal property in the unorganized townships of said county; ~~exclusive of money and credits.~~

Sec. 20. Laws 1967, chapter 501, section 1, is amended to read:

Section 1. [St. Louis county; health department; tax levy.] Notwithstanding the provisions of Minnesota Statutes, Section 145.51, Subdivision 1, to the contrary, in St. Louis county there may be levied for the purposes of Minnesota Statutes, Sections 145.47 to 145.54, ~~an amount not to exceed 2.5 mills a tax on the dollar of~~ the taxable valuation of the county.

Sec. 21. Laws 1967, chapter 526, section 1, subdivision 3, is amended to read:

Subd. 3. The county board may annually levy upon all taxable property within the county a tax sufficient to yield ~~not more than \$2,500~~ for the

purpose of implementing the provisions of this act. The taxing authority conferred by this subdivision is in addition to that conferred by any other law.

Sec. 22. Laws 1967, chapter 542, section 1, subdivision 3, is amended to read:

Subd. 3. Each year the board of commissioners may levy a tax on all taxable property in the county to provide funds for the purpose specified in subdivision 1. ~~Such tax shall not exceed one mill in any year.~~

Sec. 23. Laws 1967, chapter 611, section 1, is amended to read:

Section 1. [Aitkin county; advertising; tax levy.] The county board of Aitkin county may levy a tax ~~not to exceed one mill on the dollar of the taxable valuation of the county to be expended for the purpose of advertising and promoting the county and its resources and advantages for tourist, agricultural, and industrial development.~~ Such advertisements or promotions may include preparation of materials or employment of staff for this purpose. The county may accept gifts for such purpose and may contract with municipalities and towns within the county in joint advertising and promotional programs.

Sec. 24. Laws 1969, chapter 652, section 1, is amended to read:

Section 1. [Big Stone county; nurse; tax levy.] The county board of Big Stone county may levy a tax ~~not to exceed five mills on the dollar of the taxable valuation of the county for county health nurse budget purposes.~~

Sec. 25. Laws 1971, chapter 404, section 1, is amended to read:

Section 1. [NORMAN COUNTY; NURSE; TAX LEVY.] The county board of Norman county may levy a tax ~~not to exceed two mills on the dollar of the taxable valuation of the county for county health nurse budget purposes.~~

Sec. 26. Laws 1971, chapter 424, section 1, is amended to read:

Section 1. [COOK AND LAKE COUNTIES; HEALTH DEPARTMENT TAX LEVY.] Notwithstanding the provisions of Minnesota Statutes, Section 145.51, the board of commissioners of Cook and Lake counties shall have authority to levy a tax ~~in an amount not to exceed six mills against on all of the taxable property of said counties for the purposes set forth in Minnesota Statutes, Sections 145.47 to 145.54.~~

Sec. 27. Laws 1979, chapter 253, section 3, is amended to read:

Sec. 3. The counties of Lac Qui Parle, Yellow Medicine, Redwood, Lincoln, Lyon, Pipestone, Murray, Cottonwood, Blue Earth and Brown which are members of the southern Minnesota river basin area II management board, established by a joint powers agreement in accordance with section 471.59, may levy an ad valorem tax ~~not to exceed one-fourth of one mill on each dollar of assessed valuation of on all taxable property within the county. This levy is not subject to levy limitations including those contained in sections 275.50 to 275.56, commencing with the levy made in 1979, payable in 1980.~~ The proceeds of this levy may be used to provide financial assistance to local governmental units for purposes of sections 104.42 to 104.50 for an amount not to exceed 12.5 percent of the total cost of the project which is of common benefit to area II in order to match grants made by the state soil and water conservation board. The proceeds of this levy may also be used to pay administrative, engineering and legal expenses of common benefit to area II.

Sec. 28. Laws 1983, chapter 326, section 17, subdivision 1, is amended to read:

Subdivision 1. The Washington county board may levy a tax of not more than three-fourths of a mill on taxable property within the county outside of any city in which is situated a free public city library, to acquire, better, and construct county library buildings and to pay principal and interest on bonds issued for that purpose. ~~The tax shall be disregarded in the calculation of levies or limits on levies provided by Minnesota Statutes, sections 475.50 to 275.56, or other law.~~

Sec. 29. Laws 1984, chapter 380, section 1, is amended to read:

Section 1. [TAX.]

The Anoka county board may levy a tax of not more than three-fourths of a mill on taxable property within the county outside of any city in which is situated a free public library, to acquire, better, and construct county library buildings and to pay principal and interest on bonds issued for that purpose. ~~The tax shall be disregarded in the calculation of levies or limits on levies provided by Minnesota Statutes, sections 275.50 to 275.56, or other law.~~

Sec. 30. Laws 1985, chapter 181, section 1, is amended to read:

Section 1. [GOODHUE COUNTY; HISTORICAL SOCIETY LEVY.]

Goodhue county may levy a tax of ~~one third mill per year~~ on property in the county and use the proceeds of the levy for the county historical society. ~~The levy shall be disregarded in the calculation of any other levies or limits on levies provided by other law.~~

Sec. 31. Laws 1985, chapter 289, section 1, is amended to read:

Section 1. [SPECIAL LEVY AUTHORITY.]

Hubbard county may levy a property tax ~~in an amount not to exceed \$45,000~~ annually to construct, maintain, or operate public park or other recreational facilities or programs. ~~The tax authorized by this section shall be disregarded in the calculation of any levy limitations under Minnesota Statutes, chapter 275.~~

Sec. 32. Laws 1985, chapter 289, section 3, is amended to read:

Sec. 3. [APPROPRIATION.]

Hubbard county may levy a property tax ~~not greater than \$20,000~~ annually and disburse its proceeds to operate county agricultural fairs and maintain buildings and grounds used for county agricultural fairs. This section supersedes any inconsistent provision of Minnesota Statutes, sections 38.17, 375.18, subdivision 8, or other law. ~~The tax provided by this act shall be disregarded in the calculation of any other levy or limit on levies provided by Minnesota Statutes, sections 275.50 to 275.56 or other law.~~ The authority allowed by this section is provided at the request of the board of county commissioners of Hubbard county.

Sec. 33. Laws 1985, chapter 289, section 5, subdivision 1, is amended to read:

Subdivision 1. Clearwater county may levy a property tax in an amount authorized by the county board; ~~not to exceed a levy of three mills; in excess~~

of any limitation imposed by Minnesota Statutes, sections 275.50 to 275.56, or any other law, for the purpose of funding the operation of the county hospital.

Sec. 34. Laws 1985, chapter 289, section 6, subdivision 1, is amended to read:

Subdivision 1. The Cass county board may annually levy a tax of a total amount of not more than \$70,000 on taxable property in the county and disburse the proceeds of the levy to promote tourism and agriculture in the county. A levy under this section shall be disregarded in the calculation of any other levies or limits on levies provided by Minnesota Statutes, sections 275.50 to 275.56 or other law.

Sec. 35. Laws 1986, chapter 392, section 1, is amended to read:

Section 1. [TAX.]

The Dakota county board may levy a tax of not more than three-fourths of a mill on taxable property within the county outside of any city in which is situated a free public library, to acquire, better, and construct county library buildings and to pay principal and interest on bonds issued for that purpose. The tax shall be disregarded in the calculation of levies or limits on levies provided by Minnesota Statutes, sections 275.50 to 275.56, or other law.

Sec. 36. Laws 1986, chapter 399, article 1, section 1, as amended by Laws 1989, First Special Session chapter 1, article 5, section 46, is amended to read:

Section 1. [AITKIN COUNTY; DEVELOPMENT LEVY.]

The Aitkin county board may annually levy a tax of not more than 0.03224 percent of market value on taxable property in the county, to provide funds to be used by the county for tourist, agricultural, industrial, and economic development.

For 1989 and 1990 only, the annual appropriation limitation in Minnesota Statutes, section 375.83 is increased to \$100,000 for Aitkin county only.

Sec. 37. Laws 1988, chapter 517, section 1, is amended to read:

Section 1. [ITASCA COUNTY; DEVELOPMENT LEVY.]

The Itasca county board may annually levy a tax of not more than one mill on taxable property in the county, to provide funds to be used by the county for tourist, agricultural, industrial, and economic development. This tax may be levied only if, by October 1 of the levy year, the county board has a commitment from a foundation or similar organization to provide matching funds for this purpose in the amount equal to the levy to be paid during the following 15 months. No part of the proceeds of this levy may be used to provide a direct loan or grant to any individual or for-profit enterprise. A levy under this section is in addition to any other permitted by law and shall be disregarded in the calculation of any other levies or limits on levies provided by Minnesota Statutes, sections 275.50 to 275.56 or other law.

Sec. 38. Laws 1988, chapter 640, section 3, is amended to read:

Sec. 3. [HISTORICAL SOCIETY LEVY.]

Each of the counties of Chisago, Kanabec, Pine, and Carlton may levy a tax ~~not greater than .75 mills per year on taxable property in the county and use its proceeds for the county historical society. The levy shall be disregarded in the calculation of any other levies or limits on levies provided by other law.~~

Sec. 39. [REPEALER.]

*Laws 1982, chapter 523, article XII, section 8; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended by Laws 1991, chapter 291, article 4, section 11; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapter 3, section 2, subdivision 3, are repealed.*

Sec. 40. [EFFECTIVE DATE.]

*Sections 1 to 39 are effective for property taxes levied in 1993, payable in 1994, and thereafter.*

ARTICLE 7

TAX LEVY LIMITATIONS FOR PARTICULAR CITIES

Section 1. Minnesota Statutes 1992, section 103B.635, subdivision 2, is amended to read:

Subd. 2. [MUNICIPAL FUNDING OF DISTRICT.] (a) The governing body or board of supervisors of each municipality in the district must provide the funds necessary to meet its proportion of the total cost determined by the board.

(b) A municipality may raise the funds by any means that the municipality has to raise funds. ~~The municipalities may each levy a tax not to exceed .00242 percent of taxable market value on the taxable property located in the district for funding the district. The levy must be within all other limitations provided by law.~~

(c) The funds must be deposited in the treasury of the district in amounts and at times as the treasurer of the district requires.

Sec. 2. Minnesota Statutes 1992, section 103B.691, subdivision 2, is amended to read:

Subd. 2. [MUNICIPAL FUNDING OF DISTRICT.] (a) The governing body or board of supervisors of each municipality in the district shall provide the funds necessary to meet its proportion of the total cost to be borne by the municipalities as finally certified by the board.

(b) The municipality's funds may be raised by any means within the authority of the municipality. ~~The municipalities may each levy a tax not to exceed .02418 percent of taxable market value on the taxable property located in the district to provide the funds. The levy shall be within all other limitations provided by law.~~

(c) The funds must be deposited into the treasury of the district in amounts and at times as the treasurer of the district requires.

Sec. 3. Minnesota Statutes 1992, 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 after November 10

and on or before November 24 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 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 current budget and 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.

(d) 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; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(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. *In the case of the city of Minneapolis, the levy for the Minneapolis library board and the levy for Minneapolis park and recreation shall be listed separately from the remaining amount of the city's levy.* In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; 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.

(e) 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;

(4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(5) any additional amount levied in lieu of a local sales and use tax, unless this amount is included in the proposed or final taxes.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead and the homeowner provides satisfactory documentation to the county assessor that the property is owned and has been used as the owner's homestead prior to June 1 of that year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

Sec. 4. Minnesota Statutes 1992, section 412.531, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT, TRANSFER; TAX LEVIES.] For the purpose of carrying out the powers of the park board there shall be established in the city treasury a special fund to be called a park fund. The council may transfer to the park fund the money it deems necessary for park purposes. No later than September 1 of each year the park board shall present to the council in the detail the council requires its estimate of the financial needs of the board for the ensuing fiscal year. In any county having a population of more than 200,000 the council of any city, whether having a park board or not, may annually levy a tax ~~not to exceed 0.01620 percent of~~ *on all taxable market value property in the city* for park purposes. The proceeds of this tax shall be placed in the park fund.

Sec. 5. Minnesota Statutes 1992, section 469.033, subdivision 6, is amended to read:

Subd. 6. [OPERATION AREA AS TAXING DISTRICT, SPECIAL TAX.] All of the territory included within the area of operation of any authority shall constitute a taxing district for the purpose of levying and collecting special benefit taxes as provided in this subdivision. All of the taxable property, both real and personal, within that taxing district shall be deemed to be benefited by projects to the extent of the special taxes levied under this subdivision. Subject to the consent by resolution of the governing body of the city in and for which it was created, an authority may levy each year a tax upon all taxable property within that taxing district. The authority shall certify the tax to the auditor of the county in which the taxing district is located on or before five working days after December 20 in each year. The tax shall be extended, spread, and included with and as a part of the general taxes for state, county, and municipal purposes by the county auditor, to be collected and enforced therewith, together with the penalty, interest, and costs. As the tax, including

any penalties, interest, and costs, is collected by the county treasurer it shall be accumulated and kept in a separate fund to be known as the "housing and redevelopment project fund." The money in the fund shall be turned over to the authority at the same time and in the same manner that the tax collections for the city are turned over to the city, and shall be expended only for the purposes of sections 469.001 to 469.047. It shall be paid out upon vouchers signed by the chair of the authority or an authorized representative. The amount of the levy shall be an amount approved by the governing body of the city, but shall not exceed 0.0131 percent of taxable market value ~~except that in cities of the first class having a population of less than 200,000, the levy shall not exceed 0.0065 percent of taxable market value.~~ The authority may levy an additional levy, not to exceed 0.0013 percent of taxable market value, to be used to defray costs of providing informational service and relocation assistance as set forth in section 469.012, subdivision 1. The authority shall each year formulate and file a budget in accordance with the budget procedure of the city in the same manner as required of executive departments of the city or, if no budgets are required to be filed, by August 1. The amount of the tax levy for the following year shall be based on that budget and shall be approved by the governing body.

Sec. 6. Minnesota Statutes 1992, section 469.053, is amended by adding a subdivision to read:

*Subd. 12. [DULUTH; SEPARATE LEVY.] The county auditor shall not include any tax levied by the city of Duluth pursuant to subdivision 4 as a part of the city of Duluth tax levy shown on any proposed or final tax statements.*

*Once a tax has been levied by the city of Duluth after 1984 in the amount of .01813 percent of taxable market value pursuant to subdivisions 4 and 5, any subsequent change in the city's levy under subdivision 4 is not an increase in its levy subject to subdivision 5 if the levy, as changed, does not exceed .01813 percent of taxable market value.*

Sec. 7. Laws 1933, chapter 423, section 2, is amended to read:

Sec. 2. [Tax levy for expenses.] The city council, city commission, or other governing body of such city may each year at the time tax levies are made for the general revenues of the city, for the purpose of defraying the expense incurred in the establishment and maintenance of such information and publicity bureau, levy within the *charter* limits ~~now prescribed by law~~ a tax on all the taxable property of such city, ~~the amount of such tax not to exceed in the aggregate the sum of \$5,000.00 per annum,~~ which levy shall be transmitted to the County Auditor of the County in which the city is situated, at the time the other tax levies are transmitted, and when received the monies derived from such tax shall be credited to a special fund for the purposes of this Act. ~~Such governing body may during the year 1933 appropriate from the general funds of the city not to exceed \$5,000.00 for such purposes.~~

Sec. 8. Laws 1943, chapter 196, section 6, as amended by Laws 1947, chapter 77, section 1; Laws 1955, chapter 88, section 2; Laws 1959, chapter 358, section 2; and Laws 1969, chapter 569, section 1, is amended to read:

Sec. 6. [Nashwauk, ~~village~~ city of; police pensions.] For the support of the fund from which such pensions are paid the council or other governing body of the ~~village~~ city shall each year, at the time the tax levies are made for the general revenues of the ~~village~~ city, levy within the limits then permitted by law, a tax on all taxable property of the ~~village~~ in the city an amount of not



less than \$2,500 ~~not more than \$5,000~~ per annum, which levy shall be transmitted to the auditor of the county in which the ~~village~~ city is located at the time the other tax levies are transmitted and shall be collected and the payment enforced in the same manner as other taxes of the ~~village~~ city. In addition thereto each member of the association shall contribute to the fund each month six percent of his monthly pay, to be deducted at the time of the payment of his salary or wages by the village and transferred to the fund, in addition thereto, such relief association may transfer to such fund moneys raised from other sources and under the control of the association.

Sec. 9. Laws 1947, chapter 224, section 1, is amended to read:

Section 1. [Tax levy by certain ~~villages~~ cities for maintenance of cemetery.] Where a ~~village~~ city containing more than 12,000 inhabitants owns and maintains an established cemetery either within or without its corporate limits, the ~~village~~ city 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 ~~levy or~~ appropriation shall not exceed the sum of \$15,000 in any one year, which sum of \$15,000 shall include any balance left from any appropriation for a previous year.

Sec. 10. Laws 1949, chapter 215, section 2, is amended to read:

Sec. 2. [Levy.] The governing body of any such city may levy for said fund ~~within the limitations of Minnesota Statutes 1945, Section 275.11,~~ an annual tax ~~not exceeding five mills on all taxable property in the city.~~

Sec. 11. Laws 1953, chapter 387, section 1, is amended to read:

Section 1. [Library Board, Minneapolis.] The library board of any city now or hereafter having more than 450,000 inhabitants may levy annually on all real and personal property within such city a tax ~~not exceeding four mills on each dollar of the assessed valuation of such city~~ for the establishment, maintenance and government of the libraries of such city, and for the payment of all other expenses proper and incidental to the establishment, maintenance and government of such libraries. The tax ~~herein authorized to be levied shall not at any time be in excess of the maximum rate of taxation fixed for the purposes herein mentioned by any board or department of any such city upon whom the duty of fixing the maximum rate of taxation for the various boards and departments thereof is placed by the charter of such city. For the purpose of determining such tax limitations the property classified as Class 3b or as Class 3c by Section 273.13, M.S. may be computed at 33 1/3 percent and 40 percent, respectively, of the full and true value of such real property is not subject to any limitations on levies in the city charter.~~

Sec. 12. Laws 1953, chapter 545, section 2, is amended to read:

Sec. 2. [Bonds may be issued; tax levy.] For the purpose of paying the cost of building, constructing, reconstructing, repairing, enlarging and improving such water-pumps, water tank, sewer mains, water mains, storm sewers, curbs and gutters, streets, water wells, water plants, sewage disposal plants and other municipal projects, any such city is hereby authorized to issue and sell its negotiable promissory coupon bonds in an amount not to exceed \$200,000. Such bonds shall be issued and sold pursuant to the provisions of Minnesota Statutes, Chapter 475, except that the bonds authorized herein may be issued by resolution of the city council without first obtaining the approval

of a vote of the electors. It may levy taxes, for the purpose of paying such bonds and interest thereon; ~~not more than 50 percent of which may be levied in excess of all per capita limitations.~~ It may transfer and use surplus funds of the city not specifically dedicated to any other purpose.

Sec. 13. Laws 1957, chapter 629, section 1, is amended to read:

Section 1. [Joint municipal airports, tax levies.] Whenever a city and village now having a combined population of more than 20,000 and a combined assessed valuation of more than \$20,000,000 are engaged in the operation of a joint municipal airport through a joint airport commission pursuant to the laws of Minnesota, each of such municipalities may expend annually ~~for the purposes hereinafter set forth the sum of \$8,000 an amount~~ for the purposes of operating, maintaining, developing and improving such joint airport and the facilities thereof. The proceeds of such tax levies shall be made available to the joint airport commission and shall be expended only for the aforesaid purposes.

Sec. 14. Laws 1959, chapter 520, section 1, is amended to read:

Section 1. [Library tax levy.] The city council of the city of South St. Paul may levy an annual tax of ~~not more than 5 mills on the dollar~~ of all taxable property located in the city for library purposes.

Sec. 15. Laws 1961, chapter 80, section 1, is amended to read:

Section 1. [South St. Paul, tax levy, musical entertainment.] The council of South Saint Paul is hereby authorized and empowered to levy a tax of ~~not exceeding one mill~~ on all the taxable property within the city for the purpose of providing free musical entertainment for the general public. This tax shall be levied by the council in the same manner and at the same times as taxes for other purposes are levied, and shall be collected in the same manner. The proceeds of this tax shall be used only for the purpose of providing free musical entertainment for the public. The annual expenditure for this purpose is hereby limited to the sum of \$3,000.

Sec. 16. Laws 1961, chapter 81, section 1, is amended to read:

Section 1. [South St. Paul, tax levy.] The council of the city of South Saint Paul may each year, by a majority vote of all of its members, levy and ~~expend not to exceed one eighth of one mill on the assessed valuation of such city, exclusive of money and credits a tax on all taxable property in the city,~~ for the following purposes:

- (a) Furnishing music in parks and other public places.
- (b) Preparing, publishing and circulating information and facts concerning the business and industrial advantages of such city as a location for other business enterprises; its desirability as a place for holding conventions and exhibitions such as Junior Live Stock Shows; Poultry shows and like exhibitions and advertising the same by posters, decorations, illumination or other means.
- (c) Providing sleeping quarters for exhibitors and delegates.

Sec. 17. Laws 1961, chapter 82, section 1, is amended to read:

Section 1. [South St. Paul, public charity bureau.] The council of the city of South Saint Paul may each year, by a five sevenths vote of all of its

members, the mayor concurring, levy and expend not to exceed three eighths of one mill on the assessed valuation of such city exclusive of money and credits a tax on all the taxable property in the city for the following purposes:

For the emergency relief of the residents of said city who are in distress from lack of food, clothing, shelter, or warmth or from long continued illness.

Sec. 18. Laws 1961, chapter 616, section 1, subdivision 1, is amended to read:

Section 1. [Hibbing, village city of; utilities fund tax levies.] Subdivision 1. The village city council of the village city of Hibbing may levy, for the purpose of paying the cost of utility service supplied to the village city, an amount sufficient to provide an amount equal to the utility charges for the year preceding the levy, which levy shall be in lieu of the five mill water and light levy. The levy of such taxes shall not cause the amount of other taxes levied or to be levied by the village city, which are subject to limitation, to be reduced in any amount whatsoever.

Sec. 19. Laws 1961, chapter 643, section 1, is amended to read:

Section 1. [St. Cloud, city of; tax for library purposes.] The governing body of the city of St. Cloud may levy a tax of not to exceed eight mills upon all taxable property for library purposes. The levy of such tax shall not cause the amount of other taxes levied or to be levied by the city which are subject to any limitation, to be reduced in any amount whatsoever.

Sec. 20. Laws 1961, extra session chapter 33, section 3, is amended to read:

Sec. 3. The village city council shall each year at the time the tax levies are made for the support of the village city, levy an amount equal to the payments made in the previous year to the pensioners under this act, one half of which amount shall be in excess of existing limitations and the remaining half to be levied within existing limitations. The tax so levied shall be transmitted to the auditor of St. Louis county at the time all other tax levies are transmitted and shall be collected and payment thereof enforced.

Sec. 21. Laws 1963, chapter 29, section 1, is amended to read:

Section 1. [Plymouth, village city of; drainage tax levies.] The village city council of the village city of Plymouth may levy, in addition to any other millage limitation, a tax of five mills on the dollar of the assessed valuation of all taxable property in the village city for storm sewers and storm drainage. The levy of such tax shall not cause the amount of other taxes levied or to be levied by the village, which are subject to any limitation, to be reduced in any amount whatsoever.

Sec. 22. Laws 1963, chapter 56, section 1, is amended to read:

Section 1. [Winona, city of; library tax levy.] Notwithstanding any provisions in Minnesota Statutes, Section 134.07, or in any other law to the contrary, the city of Winona may level levy an annual tax of not more than eight mills on the dollar on all taxable property therein for the benefit of its library fund as established under Minnesota Statutes, Section 134.07.

Sec. 23. Laws 1963, chapter 103, section 1, is amended to read:

Section 1. [Two Harbors, city of; cemetery tax levy.] The city of Two Harbors may levy an annual tax of ~~not to exceed five mills~~ on the dollar of all taxable property *of the city* for the care and maintenance of a public cemetery.

Sec. 24. Laws 1965, chapter 6, section 2, as amended by Laws 1971, chapter 6, section 1, is amended to read:

Sec. 2. [MOORHEAD, CITY OF; DEPARTMENT OF BUSINESS DEVELOPMENT.] The city of Moorhead may provide for an annual allocation of funds up to the sum of \$50,000 per year with which to establish and maintain the department subject to such conditions and limitations as the city council shall prescribe. The said sum of up to \$50,000 per year may be made available from the transfer of funds from any city owned and operated utility upon approval by resolution of three fourths of the aldermen of the city council, or by a tax levy ~~not to exceed in any one year four mills on the dollar of the assessed valuation~~ on all the taxable property in the city, or combination of both. Authority to transfer such funds is in addition to the authorization in the city charter to transfer such funds into the general revenue fund. The authority herein contained shall not be limited by any charter limitation ~~or any other limitation~~.

Sec. 25. Laws 1965, chapter 451, section 2, is amended to read:

Sec. 2. Each of the participating municipalities may levy a tax ~~of an amount sufficient to produce not to exceed \$500~~ per annum upon the taxable property of said municipality and to appropriate these or other funds, not to exceed \$500 annually, to the commission for the purpose of acquiring lands and for the maintenance, operation, and management of the cemetery. The commission shall have the power to acquire by purchase, gift, or condemnation any property situated within the limits of any participating municipality to be used as a cemetery, and to make all reasonable regulations for the management and operation thereof.

Sec. 26. Laws 1965, chapter 527, section 1, is amended to read:

Section 1. [Rochester, city of; programs for the aged; appropriations tax levy, rules.] For the purpose of furthering the well-being of aged persons in the city of Rochester, the common council of Rochester may establish programs, not otherwise provided by law, which meet social and recreational needs of the aged. For these purposes the council may appropriate not to exceed \$5,000 annually, and may levy a tax ~~not to exceed one tenth mill on the dollar of the assessed valuation of all~~ taxable property in the city. Money derived from this tax shall be deposited in a fund which shall be established and made available for the appropriation provided by this section. The council shall promulgate such rules and regulations as are necessary to carry out the purpose of this act and shall file a copy with the city clerk.

Sec. 27. Laws 1967, chapter 660, section 2, subdivision 2, is amended to read:

Subd. 2. Each year after the budget has become final, the city council of Breckenridge may by resolution and without a vote of the electors of the city levy a tax on all taxable property in the city sufficient to pay its share of the cost of acquisition, betterment, operation and maintenance of the joint airport. When collected the tax may be transferred to the joint airport board and expended by the board in accordance with the terms of agreement. ~~The tax shall not exceed 10 mills in any year.~~ The tax shall not be subject to any other

limitations imposed by statute or the city charter nor shall the levy of such tax cause other taxes levied by the council which are subject to any charter limitation to be reduced by any amount whatsoever.

Sec. 28. Laws 1967, chapter 758, section 1, is amended to read:

Section 1. [~~Rochester, city of; tax levy – band, orchestra, or chorus.~~] ~~Notwithstanding any provision or limitation to the contrary of Minnesota Statutes 1965, Section 449.09,~~ The city of Rochester may levy each year a tax not to exceed three mills for the purpose of providing a fund for the maintenance, transportation or employment of a band, orchestra, or chorus for municipal purposes.

Sec. 29. Laws 1969, chapter 192, section 1, as amended by Laws 1981, chapter 363, section 56, is amended to read:

Section 1. [MOORHEAD, CITY OF; BUS SERVICE.] The governing body of the city of Moorhead is authorized to provide and assist public transportation services through acquisition, construction or operation, directly or by lease or contract, within the Moorhead-Fargo urbanized area. The city's annual obligation, if any, under such contract shall not exceed ~~the an amount produced by applying two mills to the dollar value of all equal to 0.04835 percent of taxable property within the city market value. The limitation imposed under this section is expressed as an amount determined after the enactment of Minnesota Statutes, Sections 273.1101 to 273.1103.~~ The levy permitted by this section shall be disregarded in the calculation of any other levies or limitations on levies permitted or provided by ~~either law or charter.~~

Sec. 30. Laws 1969, chapter 538, section 6, as amended by Laws 1974, chapter 202, section 2, is amended to read:

Sec. 6. [APPROPRIATIONS.] The governing body may appropriate annually from the revenues of the city a sum of money not exceeding ~~one fifth mill times the value of property subject to ad valorem tax~~ 0.00484 percent of taxable market value for the purposes of section 2.

Sec. 31. Laws 1969, chapter 561, section 1, is amended to read:

Section 1. [Minneapolis, city of; park improvement fund; tax levy.] The board of park commissioners of the City of Minneapolis may create a park improvement fund to be maintained by an annual tax levy on the real and personal property of the city ~~not exceeding six tenths of a mill on each dollar of the assessed valuation of the city.~~ The amount of any such levy shall be subject to the supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city, *but is not subject to any charter limitation on the amount of levies for this purpose.*

Sec. 32. Laws 1969, chapter 602, section 1, subdivision 2, is amended to read:

Subd. 2. Such bonds shall be secured by a pledge to the bond holders, or to a trustee; of all income and revenues of whatsoever nature derived from such facilities, as a first charge on the gross revenues thereof to the extent necessary to pay the bonds and interest thereon when due and to accumulate and maintain an additional reserve for that purpose in an amount equal to the total amount of such payments to become due in any fiscal year. In this event the governing body may by resolution or trust indenture define the land, buildings, or facilities the revenues of which are pledged, and establish

covenants and agreements for the security of the bonds including a covenant that it will establish, maintain, revise, when necessary, and collect charges for all services, products, use, and occupancy of the facilities in the amounts and at the times required to produce the revenues pledged, and also sufficient, with funds that may be appropriated by the governing body from time to time, to provide adequately for the operation and maintenance of the facilities. The governing body may, by a two-thirds vote of its members, without an election by its electors, levy a tax of ~~not more than two mills on the assessed valuation~~ of all taxable property within its corporate limits to pay the bonds and interest thereon in the event of any deficiency in the revenues and may make a pledge or trust indenture and establish covenants to levy such tax without reduction of the amount of taxes which may otherwise be levied within ~~statutory and~~ charter limitations. The governing body shall provide in its budget each year for any anticipated deficiency in the revenues available of operation and maintenance and may, for this purpose, without an election by its electors, levy a tax of ~~not more than two mills on the assessed valuation~~ of all taxable property within its corporate limits without reduction of the amount of taxes which may otherwise be levied within ~~statutory and~~ charter limitations.

Sec. 33. Laws 1969, chapter 659, section 3, is amended to read:

Sec. 3. For the purpose of making payments upon any lease agreement hereunder, the city may levy an annual tax of ~~not to exceed five mills on the dollar on the taxable property in the city~~ in addition to all other levies permitted to the city for library purposes.

Sec. 34. Laws 1969, chapter 730, section 1, is amended to read:

Section 1. [South St. Paul, city of; tax levy; airport bonds.] Notwithstanding the provisions of any law or the city charter to the contrary, the council of the city of South St. Paul may by resolution and without authorization by the electors, issue general obligation bonds of the city in the amount of \$300,000, levy all taxes required by Minnesota Statutes, Section 475.61, for the payment of the bonds, and, in addition, each year levy a tax on all taxable property in the city ~~equal to one mill times the assessed valuation of such property~~, all to provide funds for the acquisition and betterment of the city airport. Except as otherwise provided, the bonds shall be issued and sold in accordance with Minnesota Statutes, Chapter 475. The amount of such taxes shall not reduce the amounts of other taxes authorized to be levied by law or the city charter. "Acquisition" and "betterment" shall have the meanings given them in Minnesota Statutes, Section 475.51.

Sec. 35. Laws 1971, chapter 373, section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; TAX LEVY FOR PARK AND RECREATION FACILITIES.] Subdivision 1. The park and recreation board of the city of Minneapolis may levy annually on the real and personal property of the city a tax ~~not exceeding 8-7 mills on each dollar of the assessed valuation of the city~~ for the purpose of acquiring, equipping, improving, maintaining, operating, and governing parks, parkways, playgrounds and other recreational facilities, and conducting recreational programs for the public use.

Sec. 36. Laws 1971, chapter 373, section 2, is amended to read:

Sec. 2. Any levy under this act shall ~~not~~ be in addition to any levy now authorized for any of such purposes by the charter of the city or by Laws 1969,

Chapter 592; the amount of such levy shall be subject to the supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city. All taxes so levied shall be certified to the county auditor on or before ~~October 10~~ *September 1* each year, and shall be collected with, and the payment thereof enforced, in the same manner as the general tax and with like penalties and interest.

Sec. 37. Laws 1971, chapter 455, section 1, is amended to read:

Section 1. [MINNEAPOLIS, CITY OF; PARKS AND PARKWAYS; MAINTENANCE FUND; CREATION OF FUND, TAX LEVY.] The park and recreation board of the city of Minneapolis may create a park rehabilitation and parkway maintenance fund to be maintained by an annual tax levy on the real and personal property of the city ~~not exceeding 1.1 mills on each dollar of the assessed valuation of the city.~~ The amount of any such levy shall be subject to the supervision of any fiscal control agency which is now or hereafter provided in the charter of any such city, *but is not subject to any charter limitations on the amount of levies for this purpose.*

Sec. 38. Laws 1971, chapter 573, section 1, is amended to read:

Section 1. [HIBBING, VILLAGE CITY OF; STUNTZ, TOWN OF; INDEPENDENT SCHOOL DISTRICT NO. 701; RECREATION AND PARK BOARD; TAX LEVY.] The joint recreation and park board of the ~~village city of Hibbing, the town of Stuntz, and Independent School District Number 701,~~ may levy a tax on the taxable property located in the ~~village city of Hibbing and in the town of Stuntz~~ a tax of not more than \$6 per capita annually upon the combined assessed valuation of real and personal property within the ~~village of Hibbing and town of Stuntz.~~ This tax shall be in lieu of all other taxes levied or permitted to be levied for park and recreation purposes by the village of Hibbing and town of Stuntz and may be levied regardless of all existing mill rate or per capita limitations imposed by law or charter upon the ~~village city of Hibbing and town of Stuntz.~~ The levy shall be made only after approval by resolution of the governing bodies of the ~~village city of Hibbing, and Independent School District Number 701,~~ and by resolution of the ~~town board of the town of Stuntz.~~

Sec. 39. Laws 1971, chapter 573, section 2, as amended by Laws 1981, chapter 141, section 1, is amended to read:

Sec. 2. Subdivision 1. ~~The total tax that may be levied otherwise in accordance with sections 1 and 2, subdivision 2, may be increased by one percent for each point of increase of the revised consumer price index, referred to in Minnesota Statutes, Section 275.11, above its amount on, in the case of the tax levied pursuant to section 1, January 15, 1971, and, in the case of the tax levied pursuant to section 2, subdivision 2, January 1, 1981. A fractional increase shall be disregarded if less than one half point and treated as one point if it is one half point or more.~~

Subd. 2. In addition to the tax authorized by section 1 and section 2, subdivision 1, the board, subject to approval by resolution of the city and school district, may also levy a tax on the taxable property in the city of 54 cents times the population of the city to be used exclusively to operate and maintain the Carey Lake recreation area, which was maintained and operated by the town of Stuntz prior to its annexation by the city.

Sec. 40. Laws 1971, chapter 876, section 3, is amended to read:

Sec. 3. The city of Austin may provide for an annual allocation of funds with which to establish and maintain the department of business development subject to such conditions and limitations as the city council shall prescribe. Further, the city of Austin may accumulate the moneys from the levy herein authorized up to the amount of \$150,000 and expend such amount for the acquisition and development of industrial sites. The said sums may be made available from the revenue provided for by a tax levy ~~not to exceed in any one year three mills on the dollar of the assessed valuation on all the taxable property in the city.~~ The authority herein contained shall not be limited by any charter limitation or ~~any other limitation~~ in existence as of January 1, 1971.

Sec. 41. Laws 1973, chapter 81, section 1, is amended to read:

Section 1. [MANKATO AND NORTH MANKATO, CITIES OF; MUSICAL ENTERTAINMENT.] The cities of Mankato and North Mankato may, in 1973 and each year thereafter, levy a tax ~~not to exceed one tenth of a mill on each dollar of assessed valuation of the taxable property of the cities in order to provide funds for musical entertainment.~~

Sec. 42. Laws 1977, chapter 61, section 8, is amended to read:

Sec. 8. [AUTHORITY TO BOND TO ACCOMPLISH THE PURPOSES OF THIS ACT.] The city of Eveleth is hereby authorized to sell bonds in such amount as will provide the necessary funds to pay the employer's share of the purchase of prior service in the public employees police and fire fund pursuant to section 3 of this act. The maturity of such bonds shall not be more than 15 years from the date of sale. The bonds may be issued and sold without a vote of the electorate and shall not be included in the net debt of the city for purposes of any charter or statutory debt limitation. *Taxes may be levied on the taxable property in the city for the payment of the bonds and interest thereon, and shall not be subject to any statutory or charter limitation on the rate or the amount.*

Sec. 43. Laws 1979, chapter 1, section 3, is amended to read:

Sec. 3. [MAINTENANCE OF REVENUES; DEFICIENCIES; TAXES.] From and after the issuance of bonds for which the revenues of the golf course facility are pledged in accordance with section 2, the city council shall provide in its budget each year for any anticipated deficiency in the revenues available for the operation and maintenance of the golf course facilities. For this purpose the city may levy a tax ~~of not more than two-thirds of one mill on the assessed valuation of all taxable property within the city, without reduction of the amount of taxes which may otherwise be levied within statutory or charter limitations.~~

Sec. 44. Laws 1979, chapter 303, article 10, section 15, subdivision 2, as amended by Laws 1989, chapter 207, section 1, is amended to read:

Subd. 2. [RESERVE FUND; TAXES.] After the adoption of a capital improvement program for a storm sewer tax district, each municipality may by ordinance after notice and hearing establish a storm sewer reserve fund for the district and may annually levy a tax ~~not exceeding one mill~~ on all the taxable property in the district for the support of the fund in an aggregate amount equal to the actual or estimated cost, whichever is less, of the improvement projects identified in the capital improvement program for the district. The proceeds of the tax shall be paid into the storm sewer reserve fund for the district and used for no other purpose than to pay capital costs of improvement



projects therein including principal and interest on obligations issued pursuant to Minnesota Statutes, Section 444.19.

Sec. 45. Laws 1981, chapter 281, section 1, is amended to read:

Section 1. [GREENWAY JOINT RECREATION BOARD TAX.]

The Greenway joint recreation board may levy a tax ~~not to exceed 3.5 mills~~ on the ~~value of taxable~~ property situated in the territory of Independent School District No. 316 in accordance with this act. Property in territory in the school district may be made subject to the tax permitted by this act by the agreement of the governing body or town board of the city or town where it is located. The agreement may be by resolution of a governing body or town board or by a joint powers agreement pursuant to section 471.59. If levied, the tax is in addition to all other taxes on the property subject to it permitted to be levied for park and recreation purposes by the cities and towns other than for the support of the joint recreation board. It shall be disregarded in the calculation of all other mill rate or per capita tax levy limitations imposed by ~~law or~~ charter upon them. A city or town may withdraw its agreement to future taxes by notice to the recreation board and the county auditor unless provided otherwise by a joint powers agreement. The tax shall be collected by the Itasca county auditor and treasurer and paid directly to the Greenway joint recreation board.

Sec. 46. Laws 1984, chapter 502, article 13, section 8, is amended to read:

Sec. 8. [CLOQUET; PUBLIC TRANSPORTATION.]

Upon conditions mutually agreed, the city of Cloquet may contract with a privately owned public transportation system to provide transportation services to the people of the city. The city may disburse money to discharge the terms of the contract. The city may annually levy a ~~property tax not to exceed one mill on the taxable property in the city~~ for the purpose of discharging the contract obligations. The amount of tax levied is in addition to all others permitted by law and must be disregarded in the calculation of ~~statutory or other~~ charter limitations on property tax levies.

Sec. 47. Laws 1990, chapter 604, article 3, section 60, is amended to read:

Sec. 60. [JOINT POWERS LEVY; DRUG ENFORCEMENT.]

~~Notwithstanding Minnesota Statutes, sections 275.50 to 275.56,~~ The cities of Maple Grove, Brooklyn Park, Brooklyn Center, and Coon Rapids may each levy for taxes levied in 1990, and thereafter, ~~an amount up to \$2 per capita a tax on the taxable property in their respective city~~ to pay the costs incurred under a joint powers agreement for the salaries and benefits of peace officers whose primary responsibilities are to investigate controlled substance crimes under chapter 152 or to teach drug abuse resistance education curricula in schools.

Sec. 48. [REPEALER.]

*Laws 1939, chapter 219, section 1; Laws 1953, chapter 387, section 2; Laws 1961, chapter 30, section 1; Laws 1961, chapter 276, section 1; Laws 1961, chapter 439, section 1; Laws 1963, chapter 228, section 1; Laws 1969, chapter 592, sections 1, 2, and 3; Laws 1971, chapter 515, section 1; Laws 1971, chapter 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1984, chapter 502, article 13, section 10, as amended by Laws*

1986, chapter 399, article 1, section 3; and Laws 1986, chapter 399, article 1, section 4, are repealed.

Sec. 49. [EFFECTIVE DATE.]

Sections 1 to 4 and 7 to 48 are effective for property taxes levied in 1993, payable in 1994, and thereafter. Section 3 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Minneapolis. Sections 5 and 6 take effect the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Duluth.

## ARTICLE 8

### TAX LEVY LIMITATIONS FOR PARTICULAR TOWNS

Section 1. Laws 1959, chapter 298, section 2, is amended to read:

Sec. 2. The town of Grand Rapids may levy and collect a tax ~~not to exceed two mills~~ on the taxable property of the town, including incorporated ~~villages~~ ~~cities~~ within the town, for the purpose of acquiring funds for the maintenance, operation, and management of the cemetery. Should any incorporated ~~village~~ ~~city~~ be separated from the town of Grand Rapids, the tax shall be levied by the town and paid to the town by the ~~village~~ ~~city~~ so long as the dead of the ~~village~~ ~~city~~ are buried in the cemetery.

Sec. 2. Laws 1961, chapter 317, section 1, is amended to read:

Section 1. [Balkan, town of; library services.] Notwithstanding the provisions of any other law to the contrary, the board of supervisors of the town of Balkan in St. Louis county may levy and collect a tax ~~not to exceed one quarter of one mill per year~~ on the ~~assessed valuation of taxable property~~ in the town for the purpose of providing a special library fund for the town. The special library fund shall be administered by the board of supervisors to provide more adequate public library services to the town of Balkan. The board of supervisors may contract with the governing body of any free public library located in any municipality adjacent to the town of Balkan for these services. ~~The tax authorized by this section is in addition to any tax authorized by Minnesota Statutes, Section 375.33.~~

Sec. 3. Laws 1965, chapter 617, section 1, is amended to read:

Section 1. [Itasca county towns; cemetery association.] The town of Lawrence in Itasca county is authorized to join the Lakeview Cemetery Association operated by the town of Iron Range. The town of Lawrence may pay to the association the sum of \$750 upon joining and may pay such amount not to exceed \$1,000 annually as may be determined by the association. *In order to pay these and other allowable costs*, the town of Lawrence may annually levy a tax on all the taxable property in the town for cemetery purposes an amount sufficient to produce \$1,000 annually.

Sec. 4. Laws 1969, chapter 534, section 2, is amended to read:

Sec. 2. The town board of any town named in section 1 may levy annually a tax ~~not to exceed 10 mills on the dollar~~ of the taxable valuation of the property in that town for the construction, reconstruction and improvement of bridges on town roads which the town board determines does not meet the requirements of the strength of bridges and the adequate width of bridges as

required by Minnesota Statutes, Sections 165.03 and 165.04. The tax levy authorized herein is in addition to the tax levy authorized by Minnesota Statutes, Section 164.04.

Sec. 5. [REPEALER.]

*Laws 1941, chapter 451, section 1; Laws 1961, chapter 119, section 1; Laws 1971, chapter 168; Laws 1971, chapter 356, section 2; and Laws 1977, chapter 246, are repealed.*

Sec. 6. [EFFECTIVE DATES.]

*Sections 1 to 5 are effective for property taxes levied in 1993, payable in 1994, and thereafter."*

Delete the title and insert:

"A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 88.04, subdivision 3; 103B.635, subdivision 2; 103B.691, subdivision 2; 103G.625, subdivision 3; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 275.065, subdivision 3; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.033, subdivision 6; 469.053, subdivision 7, and by adding a subdivision; 469.188; 471.191, subdivision 2; 471.24; 471.57, subdivision 1; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; Laws 1933, chapter 423, section 2; Laws 1943, chapters 196, section 6, as amended; 367, section 1, as amended; 510, section 1; Laws 1947, chapters 224, section 1; 340, section 4; Laws 1949, chapters 215, section 2; 252, section 1; 668, section 1; Laws 1953, chapters 154, section 3; 387, section 1; 545, section 2; Laws 1957, chapters 213, section 1; 629, section 1; Laws 1959, chapters 298, section 2; 520, section 1; 556, section 1, as amended; Laws 1961, chapters 80, section 1; 81, section 1; 82, section 1; 151, section 1; 209, section 4; 317, section 1; 352, section 1, as amended; 616, section 1, subdivision 1; 643, section 1; Laws 1961, extra session chapter 33, section 3; Laws 1963, chapters 29, section 1; 56, section 1; 103, section 1; 603, section 1; Laws 1965, chapters 6, section 2, as amended; 442, section 1; 451, section 2; 512, section 1, subdivision 1; 527, section 1; 617, section 1; Laws 1967, chapters 501, section 1; 526, section 1, subdivision 3; 542, section 1, subdivision 3; 611, section 1; 660, section 2, subdivision 2; 758, section 1; Laws 1969, chapters 192, section 1, as amended; 534, section 2; 538, section 6, as amended; 561, section 1; 602, section 1, subdivision 2; 652, section 1; 659, section 3; 730, section 1; Laws 1971, chapters 373, sections 1 and 2; 404, section 1; 424, section 1; 455, section 1; 573, sections 1 and 2, as amended; 876, section 3; Laws 1973, chapter 81, section 1; Laws 1977, chapter 61, section 8; Laws 1979, chapters 1, section 3; 253, section 3; 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1983, chapter 326, section 17, subdivision 1; Laws 1984, chapters 380, section 1; 502, article 13, section 8; Laws 1985, chapters 181, section 1; 289, sections 1, 3, 5, subdivision 1, and 6, subdivision 1; Laws 1986, chapters 392, section 1; 399, article 1, section 1, as amended; Laws 1988, chapters 517, section 1; 640, section 3; Laws 1990, chapter 604, article 3, section 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 6; 471.1921; and 471.63,

subdivision 2; Laws 1915, chapter 316, section 1, as amended; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1953, chapter 387, section 2; Laws 1961, chapters 30, section 1; 119, section 1; 276, section 1; 439, section 1; Laws 1963, chapter 228, section 1; Laws 1969, chapter 592, sections 1 to 3; Laws 1971, chapters 168; 356, section 2; 515, section 1; 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1977, chapter 246; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapters 3, section 2, subdivision 3; and 291, article 4, section 21.”

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. 920: A bill for an act relating to the environment; modifying a person's duty to report releases of a petroleum product; establishing an accountability committee; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; amending Minnesota Statutes 1992, sections 115C.02, subdivisions 10, 14, and by adding a subdivision; 115C.06, subdivision 2; 115C.065; 115C.07, subdivisions 2, 3, and by adding subdivisions; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 2, 3, 3a, 3c, and 5; and 115C.11, subdivision 1; repealing Minnesota Statutes 1992, sections 115C.01 to 115C.11; and Minnesota Rules, part 2890.0065.

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 1992, section 115.061, is amended to read:

115.061 [DUTY TO NOTIFY AND AVOID WATER POLLUTION.]

(a) *Except as provided in paragraph (b), it is the duty of every person to notify the agency immediately of the discharge, accidental or otherwise, of any substance or material under its control which, if not recovered, may cause pollution of waters of the state, and the responsible person shall recover as rapidly and as thoroughly as possible such substance or material and take immediately such other action as may be reasonably possible to minimize or abate pollution of waters of the state caused thereby.*

(b) *Notification is not required under paragraph (a) for a discharge of five gallons or less of petroleum, as defined in section 115C.02, subdivision 10. This paragraph does not affect the other requirements of paragraph (a).*

Sec. 2. Minnesota Statutes 1992, section 115C.02, subdivision 10, is amended to read:

Subd. 10. [PETROLEUM.] “Petroleum” means:

(1) ~~gasoline and fuel oil as defined in section 296.01, subdivisions 18 and 21;~~

(2) crude oil or a fraction of crude oil that is liquid at a temperature of 60 degrees Fahrenheit and pressure of 14.7 pounds per square inch absolute; or

(3) constituents of gasoline and fuel oil under clause (1) and crude oil under clause (2); liquid petroleum products as defined in section 296.01;

(2) new and used lubricating oils; and

(3) new and used hydraulic oils used in lifts to raise motor vehicles or farm equipment and for servicing or repairing motor vehicles or farm equipment.

Sec. 3. Minnesota Statutes 1992, section 115C.03, is amended by adding a subdivision to read:

*Subd. 1a. [PASSIVE BIOREMEDIATION.] Passive bioremediation must be used for petroleum tank cleanups whenever an assessment of the site determines that there is a low potential risk to public health and the environment.*

Sec. 4. Minnesota Statutes 1992, section 115C.03, is amended by adding a subdivision to read:

*Subd. 7a. [REVIEW OF AGENCY EMPLOYEE DECISIONS.] A person aggrieved by a decision made by an employee of the agency relating to the need for or implementation of a corrective action may seek review of the decision by the commissioner. An application for review must state with specificity the decision for which review is sought, the name of the leak site, the leak number, the date the decision was made, the agency employee who made the decision, the ramifications of the decision, and any additional pertinent information. The commissioner shall review the application and schedule a time, date, and place for the aggrieved person to explain the grievance and for the agency employee to explain the decision under review. The commissioner shall issue a decision either sustaining or reversing the decision of the employee. The aggrieved person may appeal the commissioner's decision to the pollution control agency board in accordance with Minnesota Rules, part 7000.0500, subpart 6.*

Sec. 5. Minnesota Statutes 1992, section 115C.07, subdivision 2, is amended to read:

*Subd. 2. [STAFF.] The commissioner of commerce shall provide staff to support the activities of the board at the board's request.*

Sec. 6. Minnesota Statutes 1992, section 115C.07, subdivision 3, is amended to read:

*Subd. 3. [RULES.] (a) The board shall adopt rules regarding its practices and procedures, the form and procedure for applications for compensation from the fund, procedures for investigation of claims and specifying the costs that are eligible for reimbursement from the fund.*

*(b) The board may adopt emergency rules under this subdivision for one year after June 4 1, 1987 1993.*

*(c) The board shall adopt emergency rules within four months of May 25, 1991, and permanent rules within one year of May 25, 1991, designed to ensure that costs submitted to the board for reimbursement are reasonable. The rules shall include a requirement that persons taking corrective action solicit competitive bids, based on unit service costs, except in circumstances*

~~where the board determines that such solicitation is not feasible. The board shall adopt emergency rules on competitive bidding that specify a bid format and an invoice format that are consistent with each other and with an application for reimbursement.~~

(d) By January 1, 1994, the board shall publish proposed rules establishing a fee schedule of costs or criteria for evaluating the reasonableness of costs submitted for reimbursement. The board shall adopt the rules by June 1, 1994.

(d) (e) The board may adopt rules requiring certification of environmental consultants.

(f) The board may adopt other rules necessary to implement this chapter.

Sec. 7. Minnesota Statutes 1992, section 115C.08, subdivision 1, is amended to read:

Subdivision 1. [REVENUE SOURCES.] Revenue from the following sources must be deposited in the state treasury and credited to a petroleum tank release cleanup account in the environmental fund ~~in the state treasury~~:

(1) the proceeds of the fee imposed by subdivision 3;

(2) money recovered by the state under sections 115C.04, 115C.05, and 116.491, including administrative expenses, civil penalties, and money paid under an agreement, stipulation, or settlement;

(3) interest attributable to investment of money in the account;

(4) money received by the board and agency in the form of gifts, grants other than federal grants, reimbursements, or appropriations from any source intended to be used for the purposes of the account; ~~and~~

(5) fees charged for the operation of the tank installer certification program established under section 116.491; *and*

(6) *money obtained from the return of reimbursements, civil penalties, or other board action under this chapter.*

Sec. 8. Minnesota Statutes 1992, section 115C.08, subdivision 2, is amended to read:

Subd. 2. [IMPOSITION OF FEE.] The board shall notify the commissioner of revenue if the unencumbered balance of the account falls below \$2,000,000 \$4,000,000, 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 four calendar months, with payment to be submitted with each monthly distributor tax return.

Sec. 9. Minnesota Statutes 1992, section 115C.08, subdivision 3, is amended to read:

Subd. 3. [PETROLEUM TANK RELEASE CLEANUP FEE.] A petroleum tank release cleanup fee is imposed on the use of tanks that contain petroleum products defined in section 296.01. On products other than gasoline, the fee must be paid in the manner provided in section 296.14 by the first licensed distributor receiving the product in Minnesota, as defined in section 296.01. When the product is gasoline, the distributor responsible for payment of the gasoline tax is also responsible for payment of the petroleum tank cleanup fee. The fee must be imposed as required under subdivision 3, at a rate of \$10 \$20

per 1,000 gallons of petroleum products, rounded to the nearest 1,000 gallons. A distributor who fails to pay the fee imposed under this section is subject to the penalties provided in section 296.15.

Sec. 10. Minnesota Statutes 1992, section 115C.08, subdivision 4, is amended to read:

Subd. 4. [EXPENDITURES.] (a) Money in the account may only be spent:

(1) to administer the petroleum tank release cleanup program established in sections 115C.03 to 115C.10 *this chapter*;

(2) for agency administrative costs under sections 116.46 to 116.50, sections 115C.03 to 115C.06, and costs of corrective action taken by the agency under section 115C.03, including investigations;

(3) for costs of recovering expenses of corrective actions under section 115C.04;

(4) for training, certification, and rulemaking under sections 116.46 to 116.50;

(5) for agency administrative costs of enforcing rules governing the construction, installation, operation, and closure of aboveground and underground petroleum storage tanks; ~~and~~

(6) for reimbursement of the harmful substance compensation account under sections 115B.26, subdivision 4; and 115C.08, subdivision 5; *and*

(7) *for administrative and staff costs as set by the board to administer the petroleum tank release program established in this chapter.*

(b) *The board shall reimburse the department of commerce for the costs of the staff required by the board to administer this chapter.*

Sec. 11. Minnesota Statutes 1992, section 115C.09, subdivision 1, is amended to read:

Subdivision 1. [REIMBURSABLE COSTS.] (a) The board shall provide partial reimbursement to eligible responsible persons for reimbursable costs incurred after June 4, 1987.

(b) The following costs are reimbursable for purposes of this section:

(1) corrective action costs incurred by the responsible person *and documented in a form prescribed by the board*, except the costs related to the physical removal of a tank;

(2) costs that the responsible person is legally obligated to pay as damages to third parties for bodily injury or property damage caused by a release if the responsible person's liability for the costs has been established by a court order or a consent decree; and

(3) up to 180 days worth of interest costs, incurred after May 25, 1991, associated with the financing of corrective action. Interest costs are not eligible for reimbursement to the extent they exceed two percentage points above the adjusted prime rate charged by banks, as defined in section 270.75, subdivision 5, at the time the financing contract was executed.

(c) A cost for liability to a third party is incurred by the responsible person when an order or consent decree establishing the liability is entered. Except as

provided in this paragraph, reimbursement may not be made for costs of liability to third parties until all eligible corrective action costs have been reimbursed. If a corrective action is expected to continue in operation for more than one year after it has been fully constructed or installed, the board may estimate the future expense of completing the corrective action and, after subtracting this estimate from the total reimbursement available under subdivision 3, reimburse the costs for liability to third parties. The total reimbursement may not exceed the limit set forth in subdivision 3.

Sec. 12. Minnesota Statutes 1992, section 115C.09, subdivision 3, is amended to read:

Subd. 3. [REIMBURSEMENTS; SUBROGATION; APPROPRIATION.]

(a) The board shall reimburse a responsible person who is eligible under subdivision 2 from the account for 90 percent of the portion of the total reimbursable costs or \$1,000,000, whichever is less. Not more than \$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 account under this subdivision until the board has determined that the costs for which reimbursement is requested were actually incurred and were reasonable.

(c) A reimbursement may not be made from the account under this subdivision in response to either an initial or supplemental application for costs incurred after June 4, 1987, that are payable under an applicable insurance policy, except that if the board finds that the responsible person has made reasonable efforts to collect from an insurer and failed, the board shall reimburse the responsible person under this subdivision.

(d) If the board reimburses a responsible person for costs for which the responsible person has petroleum tank leakage or spill insurance coverage, the board is subrogated to the rights of the responsible person with respect to that insurance coverage, to the extent of the reimbursement by the board. The board may request the attorney general to bring an action in district court against the insurer to enforce the board's subrogation rights. Acceptance by a responsible person of reimbursement constitutes an assignment by the responsible person to the board of any rights of the responsible person with respect to any insurance coverage applicable to the costs that are reimbursed. Notwithstanding this paragraph, the board may instead request a return of the reimbursement under subdivision 5 and may employ against the responsible party the remedies provided in that subdivision, except where the board has knowingly provided reimbursement because the responsible person was denied coverage by the insurer.

(e) Money in the account is appropriated to the board to make reimbursements under this section. A reimbursement to a state agency must be credited to the appropriation account or accounts from which the reimbursed costs were paid.

(f) The board shall reduce the amount of reimbursement to be made under this section if it finds that the responsible person has not complied with a provision of this chapter, a rule or order issued under this chapter, or one or more of the following requirements:



(1) at the time of the release the tank was in substantial compliance with state and federal rules and regulations applicable to the tank, including rules or regulations relating to financial responsibility;

(2) the agency was given notice of the release as required by section 115.061;

(3) the responsible person to the extent possible, fully cooperated with the agency in responding to the release; and

(4) if the responsible person is an operator, the person exercised due care with regard to operation of the tank, including maintaining inventory control procedures.

(g) The reimbursement shall be reduced as much as 100 percent for failure by the responsible person to comply with the requirements in paragraph (f), clauses (1) to (4). In determining the amount of the reimbursement reduction, the board shall consider:

(1) the likely environmental impact of the noncompliance;

(2) whether the noncompliance was negligent, knowing, or willful;

(3) the deterrent effect of the award reduction on other tank owners and operators; and

(4) the amount of reimbursement reduction recommended by the commissioner.

(h) A responsible person may assign the right to receive reimbursement to each lender, who advanced funds to pay the costs of the corrective action; or to each contractor, or consultant who provided corrective action services. An assignment must be made by filing with the board a document, in a form prescribed by the board, indicating the identity of the responsible person, the identity of the assignee, the dollar amount of the assignment, and the location of the corrective action. An assignment signed by the responsible person is valid unless terminated by filing a termination with the board, in a form prescribed by the board, which must include the written concurrence of the assignee. The board shall maintain an index of assignments filed under this paragraph. The board shall pay the reimbursement to the responsible person and to one or more assignees by a multiparty check. The board has no liability to a responsible person for a payment under an assignment meeting the requirements of this paragraph.

Sec. 13. Minnesota Statutes 1992, section 115C.09, subdivision 3a, is amended to read:

Subd. 3a. [ELIGIBILITY OF OTHER PERSONS.] Notwithstanding the provisions of subdivisions 1 to 3, the board shall provide full reimbursement to a person who has taken corrective action if the board or commissioner of commerce determines that:

(1) the person took the corrective action in response to a request or order of the commissioner made under this chapter;

(2) the commissioner has determined that the person was not a responsible person under section 115C.02; and

(3) the costs for which reimbursement is requested were actually incurred and were reasonable.

Sec. 14. Minnesota Statutes 1992, section 115C.09, is amended by adding a subdivision to read:

*Subd. 9. [DELEGATION OF BOARD'S POWERS.] The board may delegate to the commissioner of commerce its powers and duties under this section.*

Sec. 15. Minnesota Statutes 1992, section 115C.11, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION.] (a) All consultants and contractors must register with the board in order to participate in the petroleum tank release cleanup program.

(b) The board must maintain a list of all registered consultants and a list of all registered contractors including an identification of the services offered.

(c) An applicant who applies for reimbursement must use a registered consultant and contractor in order to be eligible for reimbursement.

(d) The commissioner must inform any person who notifies the agency of a release under section 115.061 that the person must use a registered consultant or contractor to qualify for reimbursement and that a list of registered consultants and contractors is available from the board.

(e) Work performed by an unregistered consultant or contractor is ineligible for reimbursement.

(f) Work performed by a consultant or contractor prior to being removed from the registration list may be reimbursed by the board.

(g) *If the information in an application for registration becomes inaccurate or incomplete in any material respect, the registered consultant or contractor must promptly file a corrected application with the board.*

(h) *Registration is effective on the date a complete application is received by the board. The board may reimburse the cost of work performed by an unregistered contractor if the contractor performed the work within 30 days of the effective date of registration.*

Sec. 16. [115C.12] [APPEAL OF REIMBURSEMENT DETERMINATION.]

(a) *A person may appeal to the board within 90 days after notice of a reimbursement determination made under section 115C.09, subdivision 9, by submitting a written notice setting forth the specific basis for the appeal.*

(b) *The board shall consider the appeal within 90 days of the notice of appeal. The board shall notify the appealing party of the date of the meeting at which the appeal will be heard at least 30 days before the date of the meeting.*

(c) *The board's decision must be based on the written record and written arguments and submissions unless the board determines that oral argument is necessary to aid the board in its decision making. Any written submissions must be delivered to the board at least 15 days before the meeting at which the appeal will be heard. Any request for the presentation of oral argument must be in writing and submitted along with the notice of appeal.*

Sec. 17. [REPEALER.]

*Minnesota Statutes 1992, sections 115C.01, 115C.02, 115C.021, 115C.03, 115C.04, 115C.045, 115C.05, 115C.06, 115C.065, 115C.07, 115C.08, 115C.09, 115C.10, 115C.11, and 115C.12, are repealed effective June 30, 2000.*

Sec. 18. [EFFECTIVE DATE.]

*Sections 2 to 8 and 10 to 17 are effective for corrective actions begun after September 1, 1993. Section 9 is effective 60 days after final enactment."*

Delete the title and insert:

"A bill for an act relating to the environment; providing for passive bioremediation; requiring staff to pay uncontested reimbursement claims at the direction of the commissioner of commerce; establishing a standard schedule of prices to pay for certain cleanup services; providing for reviews; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing rulemaking; amending Minnesota Statutes 1992, sections 115.061; 115C.02, subdivision 10; 115C.03, by adding subdivisions; 115C.07, subdivisions 2 and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1338: A bill for an act relating to the state building code; including state licensed facilities in coverage; clarifying certain language; changing certain duties of the state building inspector and fee provisions; appropriating money; amending Minnesota Statutes 1992, sections 16B.60, subdivision 3, and by adding a subdivision; 16B.61, subdivisions 1a and 4; 16B.62, subdivision 1; 16B.66; 16B.70, subdivision 2; 16B.72; and 16B.73.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, after the comma, insert "*freestanding outpatient surgical center,*"

Page 5, line 14, strike "two" and insert "20"

Page 5, line 18, strike "four" and insert "20"

Page 5, line 28, strike "general fund" and insert "*state building code account in the special revenue fund. Fees retained by each municipality must be earmarked to help defray the continuing education costs of the municipal building inspection department*"

Page 5, after line 28, insert:

“Sec. 8. Minnesota Statutes 1992, section 16B.70, is amended by adding a subdivision to read:

*Subd. 3. [STATE BUILDING CODE ACCOUNT.] The state building code account is an account in the special revenue fund. The money in the account is continuously appropriated to the commissioner of administration for the purpose of sections 16B.59 to 16B.73. Excess fees not used to defray the costs of administering sections 16B.59 to 16B.73 must be rebated to municipalities every year, starting June 30, 1995. The rebate amount must be the excess fees not used by the building codes and standards division from the previous fiscal year. The rebated fees must be used to help defray the costs of municipal building inspection department administration. The rebate to each municipality must be in proportion to the amount of the surcharges collected by that municipality and remitted to the state.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 5 and 6, delete “appropriating money;”

Page 1, line 9, 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.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 681: A bill for an act relating to crime victims; providing that victims' rights are applicable to juvenile proceedings; providing notice and waiver of towing fees for victims of auto theft; adding restitution as a sentencing option in juvenile traffic cases; waiving fees for docketing an order of restitution as a civil judgment; defining collateral source to include proceeds of a lawsuit brought as result of a crime; making procedural corrections to reduce administrative costs; extending the date of expiration of the Minnesota crime victim and witness advisory council; amending Minnesota Statutes 1992, sections 260.193, subdivision 8; 611A.02, subdivision 2; 611A.04, subdivision 3; 611A.52, subdivisions 5, 8, and 9; 611A.57; 611A.66; and 611A.71, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 169; 260; and 611A; repealing Minnesota Statutes 1992, section 611A.57, 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. [169.042] [TOWING; NOTICE TO VICTIM OF VEHICLE THEFT; FEES PROHIBITED.]

*Subdivision 1. [NOTIFICATION.] A law enforcement agency shall make a reasonable and good-faith effort to notify the victim of a reported vehicle theft within 48 hours after the agency recovers the vehicle. The notice must specify when the agency expects to release the vehicle to the owner and how the owner may pick up the vehicle.*

*Subd. 2. [VIOLATION DISMISSAL.] A traffic violation citation given to the owner of the vehicle as a result of the vehicle theft must be dismissed if the*

owner presents, by mail or in person, a police report or other verification that the vehicle was stolen at the time of the violation.

Sec. 2. [260.013] [SCOPE OF VICTIM RIGHTS.]

*The rights granted to victims of crime in sections 611A.01 to 611A.06 are applicable to adult criminal cases, juvenile delinquency proceedings, juvenile traffic proceedings involving driving under the influence of alcohol or drugs, and proceedings involving any other act committed by a juvenile that would be a crime as defined in section 609.02, if committed by an adult.*

Sec. 3. Minnesota Statutes 1992, 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) *If the child is found to have violated a state or local law or ordinance and the violation resulted in damage to the person or property of another, the court may order the child to make reasonable restitution for the damage;*
- (h) 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;
- (i) If the court finds that the child committed an offense described in section 169.121, the court shall order that a chemical use assessment be conducted and a report submitted to the court in the manner prescribed in section 169.126. If the assessment concludes that the child 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 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 assessment in the manner provided in section 169.126, subdivision 4c.

#### Sec. 4. [611A.015] [SCOPE OF VICTIM RIGHTS.]

*The rights afforded to crime victims in sections 611A.01 to 611A.06 are applicable to adult criminal cases, juvenile delinquency proceedings, juvenile traffic proceedings involving driving under the influence of alcohol or drugs, and proceedings involving any other act committed by a juvenile that would be a crime as defined in section 609.02, if committed by an adult.*

Sec. 5. Minnesota Statutes 1992, section 611A.02, subdivision 2, is amended to read:

Subd. 2. [VICTIMS' RIGHTS.] (a) ~~The commissioner of public safety, in consultation with The crime victim and witness advisory council, must shall develop a notice two model notices of the rights of crime victims. The notice must include a form for the preparation of a preliminary written victim impact summary. A preliminary victim impact summary is a concise statement of the immediate and expected damage to the victim as a result of the crime. A victim desiring to file a preliminary victim impact summary must file the summary with the investigating officer no more than five days after the victim receives the notice from a peace officer. If a preliminary victim impact statement is filed with the investigating officer, it must be sent to the prosecutor with other investigative materials. If a prosecutor has received a preliminary victim impact summary, the prosecutor must present the summary to the court. This subdivision does not relieve a probation officer of the notice requirements imposed by section 611A.037, subdivision 2.~~

(b) ~~The initial notice of the rights of crime victims must be distributed by a peace officer to each victim, as defined in section 611A.01, when the peace officer takes a formal statement from the victim. A peace officer is not obligated to distribute the notice if a victim does not make a formal statement at the time of initial contact with the victim. The notice must inform a victim of:~~

~~(1) the victim's right to request restitution under section 611A.04 apply for reparations to cover losses, not including property losses, resulting from a violent crime and the telephone number to call to request an application;~~

~~(2) the victim's right to be notified of any plea negotiations under section 611A.03 request that the law enforcement agency withhold public access to data revealing the victim's identity under section 13.82, subdivision 10, paragraph (d);~~

~~(3) the domestic abuse victim's right to be present at sentencing, and to object orally or in writing to a proposed agreement or disposition; and receive notice described in section 629.341;~~

~~(4) the victim's right to be notified of the final disposition of the case information on the nearest crime victim assistance program or resource; and~~

(5) *the victim's rights, if an offender is charged, to be informed of and participate in the prosecution process, including the right to request restitution.*

(c) *A supplemental notice of the rights of crime victims must be distributed by the city or county attorney's office to each victim, within a reasonable time after the offender is charged or petitioned. This notice must inform a victim of all the rights of crime victims under chapter 611A.*

Sec. 6. Minnesota Statutes 1992, section 611A.04, subdivision 1, is amended to read:

Subdivision 1. [REQUEST; DECISION.] (a) A victim of a crime has the right to receive restitution as part of the disposition of a criminal charge or juvenile delinquency proceeding against the offender if the offender is convicted or found delinquent. The court, or a person or agency designated by the court, shall request information from the victim to determine the amount of restitution owed. The court or its designee shall obtain the information from the victim in affidavit form or by other competent evidence. Information submitted relating to restitution must describe the items or elements of loss, itemize the total dollar amounts of restitution claimed, and specify the reasons justifying these amounts, if restitution is in the form of money or property. A request for restitution may include, but is not limited to, any out-of-pocket losses resulting from the crime, including medical and therapy costs, replacement of wages and services, and funeral expenses. In order to be considered at the sentencing or dispositional hearing, all information regarding restitution must be received by the court administrator of the appropriate court and must also be provided to the offender at least three business days before the sentencing or dispositional hearing. ~~If the victim's noncooperation prevents the court or its designee from obtaining competent evidence regarding restitution, the court is not obligated to consider information regarding restitution in the sentencing or dispositional hearing. The court administrator shall provide copies of this request to the prosecutor and the offender or the offender's attorney at least 24 hours before the sentencing or dispositional hearing. The issue of restitution may be reserved or the sentencing or disposition continued if the affidavit or other competent evidence is not received in time.~~ At the sentencing or dispositional hearing, the court shall give the offender an opportunity to respond to specific items of restitution and their dollar amounts.

(b) The court may amend or issue an order of restitution after the sentencing or dispositional hearing if:

(1) the offender is on probation or supervised release;

(2) information regarding restitution was submitted as required under paragraph (a); and

(3) the true extent of the victim's loss was not known at the time of the sentencing or dispositional hearing.

If the court holds a hearing on the restitution request, the court must notify the offender, the offender's attorney, the victim, and the prosecutor at least five business days before the hearing. The court's restitution decision is governed by this section and section 611A.045.

(c) The court shall grant or deny restitution or partial restitution and shall state on the record its reasons for its decision on restitution if information

relating to restitution has been presented. If the court grants partial restitution it shall also specify the full amount of restitution that may be docketed as a civil judgment under subdivision 3. The court may not require that the victim waive or otherwise forfeit any rights or causes of action as a condition of granting restitution or partial restitution.

Sec. 7. Minnesota Statutes 1992, section 611A.04, subdivision 1a, is amended to read:

Subd. 1a. [CRIME BOARD REQUEST.] The crime victims reparations board may request restitution on behalf of a victim by filing a copy of a ~~claim~~ for reparations submitted under sections 611A.52 to 611A.67, along with orders of the board, if any, which detail any amounts paid by the board to the victim. The board may file the ~~claim~~ payment order with the court administrator or with the person or agency the court has designated to obtain information relating to restitution. In either event, the board shall submit the ~~claim~~ payment order not less than three business days before the sentencing or dispositional hearing. ~~If the board submits the claim directly to the court administrator, it shall also provide a copy to the offender. The court administrator shall provide copies of the payment order to the prosecutor and the offender or the offender's attorney at least 24 hours before the sentencing or dispositional hearing. The issue of restitution may be reserved or the sentencing or disposition continued if the payment order is not received in time.~~ The filing of a ~~claim~~ payment order for reparations with the court administrator shall also serve as a request for restitution by the victim. The restitution requested by the board may be considered to be both on its own behalf and on behalf of the victim. If the board has not paid reparations to the victim, restitution may be made directly to the victim. If the board has paid reparations to the victim, the court shall order restitution payments to be made directly to the board.

Sec. 8. Minnesota Statutes 1992, section 611A.04, subdivision 3, is amended to read:

Subd. 3. [EFFECT OF ORDER FOR RESTITUTION.] An order of restitution may be enforced by any person named in the order to receive the restitution in the same manner as a judgment in a civil action. *Filing fees for docketing an order of restitution as a civil judgment are waived for any victim named in the restitution order.* An order of restitution shall be docketed as a civil judgment by the court administrator of the district court in the county in which the order of restitution was entered. A juvenile court is not required to appoint a guardian ad litem for a juvenile offender before docketing a restitution order. Interest shall accrue on the unpaid balance of the judgment as provided in section 549.09. A decision for or against restitution in any criminal or juvenile proceeding is not a bar to any civil action by the victim or by the state pursuant to section 611A.61 against the offender. The offender shall be given credit, in any order for judgment in favor of a victim in a civil action, for any restitution paid to the victim for the same injuries for which the judgment is awarded.

Sec. 9. Minnesota Statutes 1992, section 611A.52, subdivision 5, is amended to read:

Subd. 5. [COLLATERAL SOURCE.] "Collateral source" means a source of benefits or advantages for economic loss otherwise reparable under sections 611A.51 to 611A.67 which the victim or claimant has received, or which is readily available to the victim, from:



- (1) the offender;
- (2) the government of the United States or any agency thereof, a state or any of its political subdivisions, or an instrumentality of two or more states, unless the law providing for the benefits or advantages makes them excess or secondary to benefits under sections 611A.51 to 611A.67;
- (3) social security, medicare, and medicaid;
- (4) state required temporary nonoccupational disability insurance;
- (5) workers' compensation;
- (6) wage continuation programs of any employer;
- (7) proceeds of a contract of insurance payable to the victim for economic loss sustained because of the crime;
- (8) a contract providing prepaid hospital and other health care services, or benefits for disability; ~~or~~
- (9) any private source as a voluntary donation or gift; *or*
- (10) *proceeds of a lawsuit brought as a result of the crime.*

The term does not include a life insurance contract.

Sec. 10. Minnesota Statutes 1992, section 611A.52, subdivision 8, is amended to read:

Subd. 8. [ECONOMIC LOSS.] "Economic loss" means actual economic detriment incurred as a direct result of injury or death.

(a) In the case of injury the term is limited to:

- (1) reasonable expenses incurred for necessary medical, chiropractic, hospital, rehabilitative, and dental products, services, or accommodations, including ambulance services, drugs, appliances, and prosthetic devices;
- (2) reasonable expenses associated with recreational therapy where a claimant has suffered amputation of a limb;
- (3) reasonable expenses incurred for psychological or psychiatric products, services, or accommodations where the nature of the injury or the circumstances of the crime are such that the treatment is necessary to the rehabilitation of the victim, subject to the following limitations:

(i) if treatment is likely to continue longer than six months after the date the claim is filed and the cost of the additional treatment will exceed \$1,500, or if the total cost of treatment in any case will exceed \$4,000, the provider shall first submit to the board a plan which includes the measurable treatment goals, the estimated cost of the treatment, and the estimated date of completion of the treatment. Claims submitted for treatment that was provided more than 30 days after the estimated date of completion may be paid only after advance approval by the board of an extension of treatment; and

(ii) the board may, in its discretion, elect to pay claims under this clause on a quarterly basis;

(4) loss of income that the victim would have earned had the victim not been injured;

(5) reasonable expenses incurred for substitute child care or household services to replace those the victim would have performed had the victim not been injured. As used in this clause, "child care services" means services provided by facilities licensed under and in compliance with either Minnesota Rules, parts 9502.0315 to 9502.0445, or 9545.0510 to 9545.0670, or exempted from licensing requirements pursuant to section 245A.03. Licensed facilities must be paid at a rate not to exceed their standard rate of payment. Facilities exempted from licensing requirements must be paid at a rate not to exceed \$3 an hour per child for daytime child care or \$4 an hour per child for evening child care; and

(6) reasonable expenses actually incurred to return a child who was a victim of a crime under section 609.25 or 609.26 to the child's parents or lawful custodian. These expenses are limited to transportation costs, meals, and lodging from the time the child was located until the child was returned home.

(b) In the case of death the term is limited to:

(1) reasonable expenses actually incurred for funeral, burial, or cremation, not to exceed an amount to be determined by the board on the first day of each fiscal year;

(2) reasonable expenses for medical, chiropractic, hospital, rehabilitative, psychological and psychiatric services, products or accommodations which were incurred prior to the victim's death and for which the victim's survivors or estate are liable;

(3) loss of support, including contributions of money, products or goods, but excluding services which the victim would have supplied to dependents if the victim had lived; and

(4) reasonable expenses incurred for substitute child care and household services to replace those which the victim would have performed for the benefit of dependents if the victim had lived.

Claims for loss of support for minor children made under clause (3) must be paid for three years or until the child reaches 18 years old, whichever is the shorter period. After three years, if the child is ~~less~~ *younger* than 18 years old a claim for loss of support may be resubmitted to the board, and the board *staff* shall evaluate the claim giving consideration to the child's financial need and to the availability of funds to the board. *Claims for loss of support for a spouse made under clause (3) shall also be reviewed at least once every three years. The board staff shall evaluate the claim giving consideration to the spouse's financial need and to the availability of funds to the board.*

Claims for substitute child care services made under clause (4) must be limited to the actual care that the deceased victim would have provided to enable surviving family members to pursue economic, educational, and other activities other than recreational activities.

Sec. 11. Minnesota Statutes 1992, section 611A.52, subdivision 9, is amended to read:

Subd. 9. [INJURY.] "Injury" means actual bodily harm including pregnancy and ~~mental or nervous shock~~ *emotional trauma*.

Sec. 12. Minnesota Statutes 1992, section 611A.57, subdivision 2, is amended to read:

Subd. 2. The board member to whom the claim is assigned staff shall examine the papers filed in support of the claim and cause an investigation to be conducted into the validity of the claim to the extent that an investigation is necessary.

Sec. 13. Minnesota Statutes 1992, section 611A.57, subdivision 3, is amended to read:

Subd. 3. [CLAIM DECISION.] The board member to whom a claim is assigned executive director may decide the claim in favor of a claimant in the amount claimed on the basis of the papers filed in support of it and the report of the investigation of such claim. If unable to decide the claim upon the basis of the papers and any report of investigation, the board member executive director shall discuss the matter with other members of the board present at a board meeting. After discussion the board shall vote on whether to grant or deny the claim or whether further investigation is necessary. A decision granting or denying the claim shall then be issued by the executive director or the board member to whom the claim was assigned.

Sec. 14. Minnesota Statutes 1992, section 611A.57, subdivision 5, is amended to read:

Subd. 5. [RECONSIDERATION.] The claimant may, within 30 days after receiving the decision of the board, apply for reconsideration before the entire board. Upon request for reconsideration, the board shall reexamine all information filed by the claimant, including any new information the claimant provides, and all information obtained by investigation. The board may also conduct additional examination into the validity of the claim. Upon reconsideration, the board may affirm, modify, or reverse its prior ruling. A claimant denied reparations upon reconsideration is entitled to a contested case hearing within the meaning of chapter 14.

Sec. 15. Minnesota Statutes 1992, section 611A.66, is amended to read:

611A.66 [LAW ENFORCEMENT AGENCIES; DUTY TO INFORM VICTIMS OF RIGHT TO FILE CLAIM.]

All law enforcement agencies investigating crimes shall provide forms to each person who may be eligible to file a claim pursuant to sections 611A.51 to 611A.67 and to inform them of their rights hereunder. All law enforcement agencies shall obtain from the board and maintain a supply of all forms necessary for the preparation and presentation of claims victims with notice of their right to apply for reparations with the telephone number to call to request an application form.

Law enforcement agencies shall assist the board in performing its duties under sections 611A.51 to 611A.67. Law enforcement agencies within ten days after receiving a request from the board shall supply the board with requested reports, notwithstanding any provisions to the contrary in chapter 13, and including reports otherwise maintained as confidential or not open to inspection under section 260.161. All data released to the board retains the data classification that it had in the possession of the law enforcement agency.

Sec. 16. Minnesota Statutes 1992, section 611A.71, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The Minnesota crime victim and witness advisory council is established and shall consist of 16 members.

Sec. 17. Minnesota Statutes 1992, section 611A.71, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) The crime victim and witness advisory council shall consist of the following members, appointed by the commissioner of public safety after consulting with the commissioner of corrections:

(1) one district court judge appointed upon recommendation of the chief justice of the supreme court;

(2) one county attorney appointed upon recommendation of the Minnesota county attorneys association;

(3) one public defender appointed upon recommendation of the state public defender;

(4) one peace officer;

(5) one medical or osteopathic physician licensed to practice in this state;

(6) five members who are crime victims or crime victim assistance representatives; and

(7) three public members; and

(8) one member appointed on recommendation of the Minnesota general crime victim coalition.

The appointments should take into account sex, race, and geographic distribution. One of the nonlegislative members must be designated by the commissioner of public safety as chair of the council.

(b) Two members of the council shall be members of the legislature who have demonstrated expertise and interest in crime victims issues, one senator appointed under rules of the senate and one member of the house of representatives appointed under rules of the house of representatives.

Sec. 18. Minnesota Statutes 1992, section 611A.71, subdivision 3, is amended to read:

Subd. 3. [TERMS OF OFFICE.] ~~Each appointed member must be appointed for a four-year term coterminous with the governor's term of office, and shall continue to serve during that time as long as the member occupies the position which made that member eligible for the appointment. Each member shall continue in office until that member's successor is duly appointed. Section 15.059 governs the terms of office, filling of vacancies, and removal of members of the crime victim and witness advisory council.~~ Members are eligible for reappointment and appointment may be made to fill an unexpired term. The members of the council shall elect any additional officers necessary for the efficient discharge of their duties.

Sec. 19. Minnesota Statutes 1992, section 611A.71, subdivision 7, is amended to read:

Subd. 7. [EXPIRATION.] The council expires as provided in section ~~15.059, subdivision 5~~ on June 30, 1995.

Sec. 20. [REPEALER.]

*Minnesota Statutes 1992, section 611A.57, subdivision 1, is repealed."*

Delete the title and insert:

"A bill for an act relating to crime victims; clarifying that victims' rights are applicable to juvenile proceedings; providing notice and waiver of towing fees for victims of auto theft; adding restitution as a sentencing option in juvenile traffic cases; waiving fees for docketing an order of restitution as a civil judgment; defining collateral source to include proceeds of a lawsuit brought as result of a crime; making procedural corrections to reduce administrative costs; extending the date of expiration of and increasing the number of members on the Minnesota crime victim and witness advisory council; amending Minnesota Statutes 1992, sections 260.193, subdivision 8; 611A.02, subdivision 2; 611A.04, subdivisions 1, 1a, and 3; 611A.52, subdivisions 5, 8, and 9; 611A.57, subdivisions 2, 3, and 5; 611A.66; and 611A.71, subdivisions 1, 2, 3, and 7; proposing coding for new law in Minnesota Statutes, chapters 169; 260; and 611A; repealing Minnesota Statutes 1992, section 611A.57, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 58: A bill for an act relating to local governments; permitting local governments to require the payment of legal fees incurred by peace officers who are the subject of investigation by a civilian review authority; amending Minnesota Statutes 1992, section 471.44.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, after the first "*complaint*" insert "*after probable cause is found*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 536: A bill for an act relating to sheriffs; duty to investigate snowmobile accidents; amending Minnesota Statutes 1992, section 387.03, is amended to read:

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 84.86, subdivision 1, is amended to read:

Subdivision 1. With a view of achieving maximum use of snowmobiles consistent with protection of the environment the commissioner of natural resources shall adopt rules in the manner provided by chapter 14, for the following purposes:

- (1) Registration of snowmobiles and display of registration numbers.
- (2) Use of snowmobiles insofar as game and fish resources are affected.

(3) Use of snowmobiles on public lands and waters ~~under the jurisdiction of the commissioner of natural resources.~~

(4) Uniform signs to be used by the state, counties, and cities, which are necessary or desirable to control, direct, or regulate the operation and use of snowmobiles.

(5) Specifications relating to snowmobile mufflers.

(6) A comprehensive snowmobile information and safety education and training program, including but not limited to the preparation and dissemination of snowmobile information and safety advice to the public, the training of snowmobile operators, and the issuance of snowmobile safety certificates to snowmobile operators who successfully complete the snowmobile safety education and training course. For the purpose of administering such program and to defray a portion of the expenses of training and certifying snowmobile operators, the commissioner shall collect a fee of not to exceed \$5 from each person who receives the training and shall deposit the fee in the snowmobile trails and enforcement account and the amount thereof is appropriated annually to the commissioner of natural resources for the administration of such programs. The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this clause. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of snowmobile operators.

(7) The operator of any snowmobile involved in an accident resulting in injury requiring medical attention or hospitalization to or death of any person or total damage to an extent of ~~\$100~~ \$500 or more, shall promptly forward a written report of the accident *within ten business days* to the commissioner on such form as the commissioner shall prescribe. *If the operator is killed or is unable to file a report due to incapacitation, any peace officer investigating the accident shall file the accident report within ten business days.*

Sec. 2. Minnesota Statutes 1992, section 84.872, is amended to read:

84.872 [YOUTHFUL SNOWMOBILE OPERATORS; PROHIBITIONS.]

Notwithstanding anything in section 84.87 to the contrary, no person under 14 years of age shall make a direct crossing of a trunk, county state-aid, or county highway as the operator of a snowmobile, or operate a snowmobile upon a street or highway within a municipality. A person 14 years of age or older, but less than 18 years of age, may make a direct crossing of a trunk, county state-aid, or county highway only if the person has in immediate possession a valid snowmobile safety certificate issued by the commissioner or a valid motor vehicle operator's license issued by the commissioner of public safety or the drivers license authority of another state. No person under the age of 14 years shall operate a snowmobile on any public land or water under the jurisdiction of the commissioner unless accompanied by one of the following listed persons on the same or an accompanying snowmobile, or on a device towed by the same or an accompanying snowmobile: the person's parent, legal guardian, or other person 18 years of age or older. However, a person 12 years of age or older may operate a snowmobile on public lands and waters under the jurisdiction of the commissioner if the person has in immediate possession a valid snowmobile safety certificate issued by the commissioner.

It is unlawful for ~~the owner~~ of any person over the age of 18 years who is in actual physical control of a snowmobile to permit the snowmobile to be operated contrary to the provisions of this section.

When the judge of a juvenile court, or any of its duly authorized agents, shall determine that any person, while less than 18 years of age, has violated the provisions of sections 84.81 to 84.88, or any other state or local law or ordinance regulating the operation of snowmobiles, the judge, or duly authorized agent, shall immediately report such determination to the commissioner and may recommend the suspension of the person's snowmobile safety certificate. The commissioner is hereby authorized to suspend the certificate, without a hearing."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "section" and insert "sections"

Page 1, delete line 4 and insert "84.86, subdivision 1; 84.872; and 387.03."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1160: A bill for an act relating to local government; providing for the continuation of the Mississippi River parkway commission; amending Minnesota Statutes 1992, section 161.1419, subdivision 8.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, strike "shall" and insert "does"

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 Transportation and Public Transit, to which was referred

S.F. No. 1264: A bill for an act relating to traffic regulations; defining residential roadways and establishing speed limits; amending Minnesota statutes 1992, sections 169.01, by adding a subdivision; 169.06, by adding a subdivision; and 169.14, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, after "roadways" insert "if adopted by the governing body where the residential roadway is located"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 154: A bill for an act relating to taxation; motor fuel taxes; providing for refunds of fuel taxes paid on fuel used to operate passenger snowmobiles as part of the operations of a resort; amending Minnesota Statutes 1992, sections 296.01, by adding a subdivision; and 296.18, subdivision 1.

Reports the same back with the recommendation that 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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 397: A bill for an act relating to highways; allowing county state-aid highway money to be used for certain equipment for emergency responders; amending Minnesota Statutes 1992, section 162.08, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1142: A bill for an act relating to transportation; prohibiting parking in transit stops marked with a handicapped sign; establishing priority for transit in energy emergencies; requiring motor vehicles to yield to transit buses entering traffic; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.20, by adding a subdivision; 169.346, subdivision 1; and 216C.15, subdivision 1.

Reports the same back with the recommendation that 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. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 955: A bill for an act relating to drivers' licenses; allowing agents of court administrators to retain fee for applications for drivers' licenses and identification cards; providing for appointment of these agents; amending Minnesota Statutes 1992, section 171.06, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 953: A bill for an act relating to motor vehicles; providing for appointment of deputy registrars of motor vehicles; amending Minnesota Statutes 1992, sections 168.33, subdivision 2; and 373.35, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.



Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 885: A bill for an act relating to traffic regulations; requiring operating procedures for hand-held traffic radar; amending Minnesota Statutes 1992, section 169.14, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was re-referred

S.F. No. 771: A bill for an act relating to motor fuels; changing the formula for payments made to producers of ethanol; increasing oxygenate level requirements for gasoline; authorizing the pollution control agency to contract to expedite permit process; eliminating certain LGA/HACA offsets for tax increment financing districts; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 116.07, subdivision 4a; 239.791, subdivisions 1 and 2; and 273.1399, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 34, delete the new language

Page 4, line 1, delete "with an average"

Page 4, lines 2 and 5, delete the new language

Page 4, delete lines 6 to 8

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 142: A bill for an act relating to workers' compensation; regulating rehabilitation services and consultations; amending Minnesota Statutes 1992, section 176.102, subdivision 4.

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. 57 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.
57		497			

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 57 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 57 and insert the language after the enacting clause of S.F. No. 497, the first engrossment; further, delete the title of H.F. No. 57 and insert the title of S.F. No. 497, the first engrossment.

And when so amended H.F. No. 57 will be identical to S.F. No. 497, and further recommends that H.F. No. 57 be given its second reading and substituted for S.F. No. 497, 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. 385 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.
385	346				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 385 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 385 and insert the language after the enacting clause of S.F. No. 346, the first engrossment; further, delete the title of H.F. No. 385 and insert the title of S.F. No. 346, the first engrossment.

And when so amended H.F. No. 385 will be identical to S.F. No. 346, and further recommends that H.F. No. 385 be given its second reading and substituted for S.F. No. 346, 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. 552 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.
552	440				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 552 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 552 and insert the language after the enacting clause of S.F. No. 440, the first engrossment; further, delete the title of H.F. No. 552 and insert the title of S.F. No. 440, the first engrossment.

And when so amended H.F. No. 552 will be identical to S.F. No. 440, and further recommends that H.F. No. 552 be given its second reading and substituted for S.F. No. 440, 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. 111 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.
111			128		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 111 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 111 and insert the language after the enacting clause of S.F. No. 128, the first engrossment; further, delete the title of H.F. No. 111 and insert the title of S.F. No. 128, the first engrossment.

And when so amended H.F. No. 111 will be identical to S.F. No. 128, and further recommends that H.F. No. 111 be given its second reading and substituted for S.F. No. 128, 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. 576 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.
576			570		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 576 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 576 and insert the language after the enacting clause of S.F. No. 570, the first engrossment; further, delete the title of H.F. No. 576 and insert the title of S.F. No. 570, the first engrossment.

And when so amended H.F. No. 576 will be identical to S.F. No. 570, and further recommends that H.F. No. 576 be given its second reading and substituted for S.F. No. 570, 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. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1263: A bill for an act relating to agriculture; clarifying procedures for the use of certain organisms; amending Minnesota Statutes 1992, sections 116C.91, subdivisions 3, 6, 7, and by adding a subdivision; and 116C.94.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 899: A bill for an act relating to agriculture; providing for regulation of agricultural aboveground storage tanks by the department of agriculture; proposing coding for new law in Minnesota Statutes, chapter 17.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1130: A bill for an act relating to agriculture; eliminating a surcharge on pesticide registration fees; authorizing use of money in the agricultural chemical response and reimbursement account for administrative costs; exempting certain pesticides from the ACRRA surcharge; amending Minnesota Statutes 1992, sections 18B.26, subdivision 3; and 18E.03, subdivisions 2 and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 33, after "commissioner" insert " *, pesticides labeled solely for use directly on humans or pets, or pesticides not requiring dilution or mixing and labeled for use in areas associated with household or home life as determined by the commissioner, but excluding turf or garden use*"

Page 3, lines 35 and 36, delete the new language

Page 4, line 1, delete the new language

Page 5, after line 16, insert:

“Sec. 4. Minnesota Statutes 1992, section 18E.04, is amended by adding a subdivision to read:

*Subd. 2a. [INELIGIBILITY FOR REIMBURSEMENT OR PAYMENT.] Pesticides that are sanitizers and disinfectants, pesticides labeled solely for use directly on humans or pets, or pesticides not requiring dilution or mixing and labeled for use in areas associated with household or home life that are exempted from surcharges are ineligible for reimbursement or payment under this section.”*

Amend the title as follows:

Page 1, line 8, delete the first “and” and before the period, insert “; and 18E.04, by adding a subdivision”

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 598: A bill for an act relating to apiary law; removing state regulation of honey bees; amending Minnesota Statutes 1992, sections 18.022, subdivision 1; and 18.0228, subdivision 3; repealing Minnesota Statutes 1992, sections 19.50; 19.51; 19.52; 19.53; 19.54; 19.55; 19.56; 19.57; 19.58; 19.59; 19.60; 19.61; 19.62; 19.63; 19.64; and 19.65.

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 1992, section 19.50, is amended by adding a subdivision to read:

*Subd. 12a. [AFRICANIZED HONEYBEES.] “Africanized honeybees” means Africanized honeybees using United States Department of Agriculture standards.*

Sec. 2. Minnesota Statutes 1992, section 19.52; subdivision 1, is amended to read:

**Subdivision 1. [ACCESS FOR INSPECTION AND ENFORCEMENT.]** The commissioner may enter upon any public or private premises at all reasonable times, after providing notification to the owner or operator, to inspect any apiary or other structure which contains bees, honey, bee equipment, or comb; to ascertain the existence of or treat any contagious or infectious bee disease; or to destroy diseased bees or bee equipment which are a public nuisance. For purposes of this subdivision, notification means providing at least 24 hours' advance notice by telephone, mail, or facsimile of the commissioner's entry upon the premises. The commissioner is not required to provide notification if: (1) the owner or operator cannot be readily identified; (2) the entry upon the premises is in response to a complaint to the commissioner; (3) the entry is upon the request of the owner or operator; or

(4) *the entry is in response to a declared emergency by the commissioner.* The commissioner may open any hive, colony, package, or receptacle which contains, or which the commissioner has reason to believe contains, any bees, comb, bee products, used bee equipment, or anything else which is capable of transmitting infectious bee diseases or exotic parasites. The commissioner may stop pedestrians and motor vehicles when they are carrying any bees, comb, used bee equipment, or anything else which is capable of transmitting infectious diseases or parasites of bees. The commissioner may inspect at any time or place, any bees, bee products, or used bee equipment shipped in or into the state.

Sec. 3. Minnesota Statutes 1992, section 19.55, is amended to read:

19.55 [INSPECTION; NOTIFICATION OF DISEASES.]

If, upon inspection of a bee colony, the commissioner finds any bee disease ~~or~~, exotic parasite, *or Africanized honeybees*, the commissioner shall notify the owner or operator of the bees in writing, stating the nature of the disease ~~or parasite problem~~. If the commissioner orders it, the disease ~~or~~, exotic parasite, *or Africanized honeybees* must be eliminated, treated, or controlled by the owner or operator within the time period and in the manner ordered by the commissioner. The written notice may be served by handing a copy to the owner or operator of the apiary; ~~by leaving a copy with an adult person residing upon the premises~~, or by either registered or certified mail addressed to the last known address of the owner or operator of the apiary.

Sec. 4. Minnesota Statutes 1992, section 19.56, is amended to read:

19.56 [PUBLIC NUISANCES; DESTRUCTION OF BEES.]

Apiaries whose owners or operators have not eliminated, treated, or controlled bee diseases ~~or~~, exotic parasites, *or Africanized honeybees* within the time specified and in the manner ordered by the commissioner, as provided in section 19.55; ~~apiaries having bees in hives without movable frames where inspection for bee diseases is not possible~~; and colonies of bees, queen nuclei, or shipments of used bee equipment which entered this state in violation of section 19.58 are a public nuisance. The commissioner, after written notice to the owner or operator of the bees and equipment, may destroy, by burning or otherwise, without any remuneration to the owner, ~~any box hives or infested or infested bees, hives, or used bee equipment which are a public nuisance under this section.~~ The notice may be served by handing a copy to the owner or operator; ~~by leaving a copy with an adult person residing upon the premises~~, or by registered or certified mail addressed to the last known address of the owner or operator of the apiary.

Sec. 5. [19.561] [AFRICANIZED HONEYBEES; POSSESSION.]

*A beekeeper may not use a swarm of honeybees positively identified as being Africanized in a beekeeping operation.*

Sec. 6. Minnesota Statutes 1992, section 19.58, subdivision 1, is amended to read:

Subdivision 1. [ENTRY PERMIT.] No person may bring into this state any bees on comb, including nuclei, or used bee equipment without an entry permit issued by the commissioner. A person who wishes to bring any bees on comb or used bee equipment into the state shall apply for an entry permit at least 60 days before the date of entry. *No entry permit may be issued without*

*a valid compliance agreement signed by the commissioner and the beekeeper. The compliance agreement must be based on the model honeybee certification plan. The 60-day requirement may be waived for a hobbyist beekeeper who intends to become a resident of Minnesota and who brings ten colonies or less into the state by the commissioner.*

Ten days Before entry, any person required to obtain an entry permit shall furnish to the commissioner a copy of a valid certificate of inspection signed by a responsible official of the state where the bees or equipment originated unless the person's bees have been inspected in Minnesota within 12 months before entry. The certificate must be based on an inspection. A person may not bring into the state any bees on comb including nuclei, combless bees, or used bee equipment from any county or parish where honey bee tracheal mites or Africanized bees honeybees have been found unless it is demonstrated to the satisfaction of the commissioner that there will be no risk of introduction either of tracheal mites or Africanized bees honeybees into the state. Bees or equipment brought into the state in violation of this subdivision are a public nuisance and may be destroyed without notice by the commissioner.

This subdivision does not apply to a common carrier transporting bees or used bee equipment from a point of origin outside of the state to a destination outside of the state.

Sec. 7. Minnesota Statutes 1992, section 19.58, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE OF INSPECTION FROM STATE OF ORIGIN.] No person may bring any combless bees, including queen bees, into this state without a statement showing the names and addresses of the consignors or shippers, the consignees or persons to whom shipped, and the locality of origin, and a certificate of inspection signed by a responsible official of the state from which it was brought. The statement must appear clearly and legibly in a conspicuous place on the package containing the material, or on a tag or other device attached to the package or the vehicle carrying the package. The certificate of inspection must show that the official found that the materials were free from any exotic parasites or exotic strains of honey bees and apparently free of American foulbrood and European foulbrood *beekeeper is using certified European queen bees in all colonies. The commissioner shall determine by rule the meaning of the term "apparently free."*

Sec. 8. Minnesota Statutes 1992, section 19.58, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF INSPECTION CERTIFICATES.] A certificate of inspection from another state is prima facie evidence of the facts stated in the certificate. The commissioner may inspect any bees or used bee equipment brought into the state with a certificate of inspection from the state of origin and may subject the materials to treatment or return them to the consignor at the consignor's expense if the commissioner finds an infectious bee disease, exotic parasite, or exotic strain of bee. If the commissioner repeatedly finds foulbrood in colonies of bees shipped from another state under official certificates of inspection, the commissioner may refuse to recognize the certificate of that state until the commissioner receives satisfactory information that the inspection service in that state has corrected the situation *Africanized honeybees.*

Sec. 9. Minnesota Statutes 1992, section 19.59, is amended to read:

19.59 [ABANDONED APIARIES.]

An abandoned apiary is subject to quarantine. If an abandoned apiary remains abandoned for 20 days after the owner or operator has been notified by the commissioner to cease the abandonment and neglect of the apiary, the commissioner shall take possession of the apiary and proceed to sell it at public auction. ~~A notice specifying the time and place of the auction must be served upon the owner in the manner provided for the service of process. No abandoned apiary may be sold at a public sale to the owner or operator who abandoned and neglected it.~~ *The commissioner may dispose of the abandoned apiary equipment by sale, destruction, or distribution to another beekeeper.* A purchaser at the public sale shall receive a certificate of purchase signed by the commissioner reciting the description of the apiary purchased and the amount paid.

After deducting the expense of the public sale and applying the unpaid balance upon all encumbrances or liens existing against the abandoned apiary sold, the balance of the proceeds shall be paid to the owner of the apiary which was sold.

Sec. 10. Minnesota Statutes 1992, section 19.64, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION.] Every person who owns, leases, or possesses colonies of bees or who intends to bring bees into the state under an entry permit shall register the bees with the commissioner on or before ~~July 1~~ *April 15* of each year. The registration application shall include the name and address of the applicant, a description of the exact location and number of each of the applicant's ~~bee colonies~~ *apiaries* by county, township, range and quarter section, and other information required by the commissioner. The fee for registration under this subdivision is ~~\$7.50~~ *\$10*. *The commissioner shall provide registered beekeepers with the Minnesota pest report.*

Sec. 11. Minnesota Statutes 1992, section 19.64, subdivision 4a, is amended to read:

Subd. 4a. [OTHER FEES.] On request the commissioner may make ~~special inspections and~~ inspections for sale of bees, bee equipment, or appliances or perform other necessary services. The commissioner shall charge a fee or charge for expenses so as to recover the cost of performing these inspections or services. If a person for whom these inspections or services are to be performed requests it, the commissioner shall provide to the person in advance an estimate of the fees or expenses that will be charged.

Sec. 12. Minnesota Statutes 1992, section 19.65, is amended to read:

19.65 [VIOLATION; PENALTY.]

A person who violates any provision of sections 19.50 to 19.65 is guilty of a misdemeanor. A person whose agents or representatives violate any provision of sections 19.50 to 19.65 is also guilty of a misdemeanor. *A person who violates sections 19.50 to 19.65 is subject to an administrative penalty under sections 17.982, subdivision 2, to 17.984.*

Sec. 13. [REPEALER.]



*Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4, are repealed.*

Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 9 and 11 to 13 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to agriculture; changing the apiary laws; amending Minnesota Statutes 1992, sections 19.50, by adding a subdivision; 19.52, subdivision 1; 19.55; 19.56; 19.58, subdivisions 1, 2, and 4; 19.59; 19.64, subdivisions 1 and 4a; and 19.65; proposing coding for new law in Minnesota Statutes, chapter 19; repealing Minnesota Statutes 1992, sections 19.51, subdivision 3; 19.54; 19.58, subdivisions 3, 7, and 8; 19.60; 19.61, subdivision 2; 19.62; and 19.64, subdivisions 2, 3, and 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Berg from the Committee on Gaming Regulation, to which was referred

S.F. No. 657: A bill for an act relating to compulsive gambling; providing for a compulsive gambling surtax; establishing a compulsive gambling account; requesting contributions from the Minnesota Indian gaming association for compulsive gambling programs; appropriating money; amending Minnesota Statutes 1992, sections 245.98, by adding a subdivision; 349.212, subdivision 2, 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 1992, section 245.98, is amended by adding a subdivision to read:

*Subd. 4. [COMPULSIVE GAMBLING ACCOUNT.] The compulsive gambling account is established as an account in the state treasury.*

Sec. 2. Minnesota Statutes 1992, section 349.212, is amended by adding a subdivision to read:

*Subd. 1a. [COMPULSIVE GAMBLING SURTAX.] The rate of the tax as imposed by subdivision 4 is increased by .074 percent.*

Sec. 3. Minnesota Statutes 1992, 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*

349.191 and 349.211, 349.212, and 349.213, must be paid to the state treasurer for deposit in the general fund, *except for proceeds received under section 2, which shall be deposited in the treasury and credited to the compulsive gambling account.*

**Sec. 4. [CONTRIBUTION BY MINNESOTA INDIAN GAMING ASSOCIATION.]**

*The commissioner of human services is authorized to enter into agreements with the governing body of Indian tribes located within the boundaries of the state of Minnesota that conduct either class II or class III gambling, as defined in section 4 of the Indian Gaming Regulatory Act, Public Law Number 100-497, and future amendments to it, for the purpose of obtaining funding for compulsive gambling programs from the Indian tribes. Prior to entering into any agreement with an Indian tribe under this section, the commissioner of human services must consult with and obtain the approval of the governor or governor's designated representatives authorized to negotiate a tribal-state compact regulating the conduct of class III gambling on Indian lands of a tribe requesting negotiations. All contributions collected by the commissioner of human services from the Indian tribes shall be deposited in the state treasury and credited to the compulsive gambling account, as provided in section 1.*

**Sec. 5. [APPROPRIATION; COMPULSIVE GAMBLING ACCOUNT.]**

*Subdivision 1. [APPROPRIATION.] \$2,771,500 in fiscal year 1994 and \$2,816,500 in fiscal year 1995 in the compulsive gambling account are appropriated to the commissioner of human services for assessment, treatment, training, education, administration, referral, and research purposes related to compulsive gambling. The allocation of the funds must be made in consultation with the department of human services' advisory committee.*

*Subd. 2. [STATE LOTTERY CONTRIBUTION.] The director of the state lottery shall transfer \$235,000 in fiscal year 1994 and \$240,000 in fiscal year 1995 from the lottery operations account to the compulsive gambling account for costs incurred for the compulsive gambling treatment program and task force on youth gambling. This transfer is in addition to any amount the director is required to transfer in those years by any other law.*

**Sec. 6. [EFFECTIVE DATE.]**

*Sections 1, 3, and 5 are effective July 1, 1993. Section 4 is effective the day following final enactment. Section 2 is effective the day following the signing of agreements in section 4. If agreements in section 4 are not signed by December 31, 1993, section 2 expires."*

And when so amended the bill do pass and be re-referred to the Committee on Health Care. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1315: A bill for an act relating to burial grounds; providing criminal penalties for the disturbance of human burial grounds; creating civil remedies for the destruction or disturbance of human burial grounds; creating a council of traditional Indian practitioners to make recommendations regarding the management, treatment, and protection of Indian burial grounds and of human remains or artifacts contained in or removed from those

grounds; amending Minnesota Statutes 1992, section 307.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 307.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Pages 2 and 3, delete sections 3 and 4

Re-number the sections in sequence

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 "creating"

Page 1, line 10, delete everything after the semicolon

Page 1, line 11, delete everything before "proposing"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1056: A bill for an act relating to taxation; providing that certain income earned for service in the armed forces is exempt from taxation; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 18, after "for" insert "active duty"

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. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 750: A bill for an act relating to Black Minnesotans; providing for a study of the immigration status of persons of African descent; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "\$....." and insert "\$35,000"

Page 1, line 13, delete "executive director of the"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 893: A bill for an act relating to veterans; appropriating money for the nurse statue.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, delete "\$....." and insert "\$150,000"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1006: A bill for an act relating to veterans; authorizing the veterans homes board to define residency by board rule; amending Minnesota Statutes 1992, section 198.022.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1007: A bill for an act relating to veterans; authorizing the legislature to hear and determine claims by patients at the Minnesota veterans homes; amending Minnesota Statutes 1992, section 3.738, subdivision 1.

Reports the same back with the recommendation that 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. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1244: A bill for an act relating to the Minnesota historical society; recodifying the historic sites act of 1965; proposing coding for new law in Minnesota Statutes, chapter 138; repealing Minnesota Statutes 1992, sections 138.025; 138.027; 138.52; 138.53; 138.55; 138.56; 138.58; 138.59; 138.60; 138.61; 138.62; 138.63; 138.64; 138.65; and 138.66.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 278: A bill for an act relating to alcoholic beverages; increasing the sales tax rate on alcoholic beverages to ten percent; providing for the dedication of a portion of the revenues from the sales tax on alcoholic beverages to the chemical dependency treatment account; eliminating requirements for a sliding fee schedule for persons eligible for chemical dependency fund services; amending Minnesota Statutes 1992, sections 254B.02, subdivision 1; 254B.04, subdivision 1; 297A.02, subdivision 3; and 297A.44, subdivision 1; repealing Minnesota Statutes 1992, section 254B.04, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 10, after the second comma, insert "*shall be deposited as follows: \$8 million*"

Page 5, line 12, before the period, insert "*to be used to fund services to persons eligible under section 254B.04, subdivision 1, paragraphs (b) and (c), and the remainder in the general fund to be used for emergency shelter services and services to battered women and children*"

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 Care, to which was referred

S.F. No. 1311: A bill for an act relating to consumer protection; providing for training requirements for manual or mechanical therapy; requiring diagnosis of a person's condition before therapy; providing for rulemaking; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 146.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 18, delete from "*at*" through page 1, line 24, to "*therapy*"

Page 2, line 5, delete everything after the period

Page 2, delete lines 6 to 10

Page 2, line 12, delete everything after "*rules*" and insert "*establishing minimum training requirements for manual or mechanical therapy.*"

Page 2, delete lines 13 to 15

Amend the title as follows:

Page 1, lines 5 and 6, delete "*imposing a penalty;*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 957: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary commitments by health plans and providers to limit the rate of growth in total revenues; permitting expedited rulemaking; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, and 8; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2;

214.16, subdivision 3; 256.9351, subdivision 3; 256.9353, subdivisions 2, 3, 5, and 6; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 62N; 62O; 256; and 295; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, 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

### INTEGRATED SERVICE NETWORKS

#### Section 1. [62N.01] [CITATION AND PURPOSE.]

*Subdivision 1. [CITATION.] Sections 62N.01 to 62N.22 may be cited as the “Minnesota integrated service network act.”*

*Subd. 2. [PURPOSE.] Sections 62N.01 to 62N.22 allow the creation of integrated service networks that will be responsible for arranging for or delivering a full array of health care services, from routine primary and preventive care through acute inpatient hospital care, to a defined population for a fixed price from a purchaser.*

*Each integrated service network is accountable to keep its total revenues within the limit of growth set by the commissioner of health under section 62N.05, subdivision 2, clause (1). Integrated service networks can be formed by health care providers, health maintenance organizations, insurance companies, employers, or other organizations. Competition between integrated service networks on the quality and price of health care services is encouraged.*

*Subd. 3. [RETIALIATORY ACTION PROHIBITED.] No integrated service network may take retaliatory action against a provider solely on the grounds that the provider disseminated accurate information regarding coverage of benefits or accurate benefit limitations of an enrollee’s contract or accurate interpreted provisions of the provider agreement that limit the prescribing, providing, or ordering of care.*

#### Sec. 2. [62N.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 62N.01 to 62N.22.*

*Subd. 2. [COMMISSION.] “Commission” means the health care commission established under section 62J.05.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner of health or the commissioner’s designated representative.*

*Subd. 4. [ENROLLEE.] “Enrollee” means an individual, including a member of a group, to whom a network is obligated to provide health services under this chapter.*

*Subd. 5. [HEALTH CARE PROVIDING ENTITY.] "Health care providing entity" means a participating entity that provides health care to enrollees through an integrated service network.*

*Subd. 6. [HEALTH PLAN.] "Health plan" means a health plan as defined in section 62A.011, subdivision 3, or coverage by an integrated service network.*

*Subd. 7. [INTEGRATED SERVICE NETWORK.] "Integrated service network" means a formal arrangement permitted by this chapter for providing health services under this chapter and licensed by the commissioner to enrollees for a fixed payment per time period.*

*Subd. 8. [NETWORK.] "Network" means an integrated service network as defined in subdivision 7.*

*Subd. 9. [PARTICIPATING ENTITY.] "Participating entity" means a health care providing entity, a risk-bearing entity, or an entity providing other services through an integrated service network.*

*Subd. 10. [PRICE.] "Price" means the actual amount of money paid, after discounts or other adjustments, by the person or organization paying money to buy health care coverage and health care services. "Price" does not mean the cost or costs incurred by a network or other entity to provide health care services to individuals.*

*Subd. 11. [RISK-BEARING ENTITY.] "Risk-bearing entity" means an entity that participates in an integrated service network so as to bear all or part of the risk of loss. "Risk-bearing entity" includes an entity that provides reinsurance, stop-loss, excess-of-loss, and similar coverage.*

### Sec. 3. [62N.03] [APPLICABILITY OF OTHER LAW.]

*Chapters 60A, 60B, 60G, 61A, 61B, 62A, 62C, 62D, 62E, 62H, 62L, 62M, and 64B do not, except as expressly provided in this chapter or in those other chapters, apply to integrated service networks, or to entities otherwise subject to those chapters, with respect to participation by those entities in integrated service networks. Chapters 72A and 72C apply to integrated service networks, except as otherwise expressly provided in this chapter.*

*Integrated service networks are in "the business of insurance" for purposes of the federal McCarren-Ferguson Act, United States Code, title 15, section 1012, are "domestic insurance companies" for purposes of the federal Bankruptcy Reform Act of 1978, United States Code, title 11, section 109, and are "insurance" for purposes of the federal Employee Retirement Income Security Act, United States Code, title 29, section 1144.*

### Sec. 4. [62N.04] [REGULATION.]

*Integrated service networks are under the supervision of the commissioner, who shall enforce this chapter. The commissioner has, with respect to this chapter, all enforcement and rulemaking powers available to the commissioner under section 62D.17.*

### Sec. 5. [62N.05] [RULES GOVERNING INTEGRATED SERVICE NETWORKS.]

*Subdivision 1. [RULES.] The commissioner, in consultation with the commission, may adopt emergency and permanent rules to establish more*

detailed requirements governing integrated service networks in accordance with this chapter.

*Subd. 2. [REQUIREMENTS.] The commissioner shall include in the rules, requirements that will ensure that the annual rate of growth of an integrated service network's aggregate total revenues received from purchasers and enrollees, after adjustments for changes in population size and risk, does not exceed the growth limit established in section 62J.04. The commissioner may include in the rules the following:*

- (1) requirements for licensure, including a fee for initial application and an annual fee for renewal;*
- (2) quality standards;*
- (3) requirements for availability and comprehensiveness of services;*
- (4) limitations on additional health care services beyond those included in the standard set of benefits;*
- (5) requirements regarding the defined population to be served by an integrated service network;*
- (6) requirements for open enrollment;*
- (7) provisions for incentives for networks to accept as enrollees individuals who have high risks for needing health care services and individuals and groups with special needs;*
- (8) prohibitions against disenrolling individuals or groups with high risks or special needs;*
- (9) requirements that an integrated service network provide to its enrollees information on coverage, including any limitations on coverage, deductibles and copayments, optional services available and the price or prices of those services, any restrictions on emergency services and services provided outside of the network's service area, any responsibilities enrollees have, and describing how an enrollee can use the network's enrollee complaint resolution system;*
- (10) requirements for financial solvency and stability;*
- (11) a deposit requirement;*
- (12) financial reporting and examination requirements;*
- (13) limits on copayments and deductibles;*
- (14) mechanisms to prevent and remedy unfair competition;*
- (15) provisions to reduce or eliminate undesirable barriers to the formation of new integrated service networks;*
- (16) requirements for maintenance and reporting of information on costs, prices, revenues, volume of services, and outcomes and quality of services;*
- (17) a provision allowing an integrated service network to set credentialing standards for practitioners employed by or under contract with the network;*
- (18) a requirement that an integrated service network employ or contract with practitioners and other health care providers, and minimum requirements for those contracts if the commissioner deems requirements to be*



necessary to ensure that each network will be able to control expenditures and revenues or to protect enrollees and potential enrollees;

(19) provisions regarding liability for medical malpractice;

(20) a method or methods to facilitate and encourage the appropriate provision of services by midlevel practitioners;

(21) provisions regarding permissible and impermissible underwriting criteria applicable to the standard set of benefits;

(22) a method or methods to assure that all integrated service networks are subject to the same regulatory requirements. All health carriers, including health maintenance organizations, insurers, and nonprofit health service plan corporations shall be regulated under the same rules, to the extent that the health carrier is operating an integrated service network or is a participating entity in an integrated service network;

(23) provisions for appropriate risk adjusters or other methods to prevent or compensate for adverse selection of enrollees into or out of an integrated service network; and

(24) other provisions that the commissioner, in consultation with the Minnesota health care commission, considers reasonable.

Subd. 3. [CRITERIA FOR RULEMAKING.] (a) [APPLICABILITY.] The commissioner shall adopt rules governing integrated service networks based on the criteria and objectives specified in this subdivision.

(b) [COMPETITION.] The rules must encourage and facilitate competition through the collection and distribution of reliable information on the cost, prices, and quality of each integrated service network in a manner that allows comparisons between networks.

(c) [FLEXIBILITY.] The rules must allow significant flexibility in the structure and organization of integrated service networks. The rules must allow and facilitate the formation of networks by providers, employers, and other organizations, in addition to health carriers and health maintenance organizations.

(d) [EXPANDING ACCESS AND COVERAGE.] The rules must be designed to expand access to health care services and coverage for all Minnesotans, including individuals and groups who have preexisting health conditions, who represent a higher risk of requiring treatment, who require translation or other special services to facilitate treatment, who face social or cultural barriers to obtaining health care, or who for other reasons face barriers to access to health care and coverage. Enrollment standards must ensure that high risk and special needs populations will be included and growth limits and payment systems must be designed to provide incentives for networks to enroll even the most challenging and costly groups and populations. The rules must be consistent with the principles of health insurance reform that are reflected in Laws 1992, chapter 549.

(e) [ABILITY TO BEAR FINANCIAL RISK.] The rules must allow a variety of options for integrated service networks to demonstrate their ability to bear the financial risk of serving their enrollees, to facilitate diversity and innovation, and the entry into the market of new networks.

(f) [PARTICIPATION OF PROVIDERS.] *The rules must not require providers to participate in an integrated service network and must allow providers to participate in more than one network and to serve both patients who are covered by an integrated service network and patients who are not. The rules must allow significant flexibility for an integrated service network and providers to define and negotiate the terms and conditions of provider participation. The rules must encourage and facilitate the participation of midlevel practitioners and allied health care practitioners and eliminate inappropriate barriers to their participation.*

(g) [RURAL COMMUNITIES.] *The rules must permit a variety of forms of integrated service networks to be developed in rural areas in response to the needs, preferences, and conditions of rural communities.*

(h) [LIMITS ON GROWTH.] *The rules must include provisions to enable the commissioner to enforce the limits on growth in health care total revenues for each integrated service network and for the entire system of integrated service networks.*

(i) [STANDARD BENEFIT SET.] *The commission shall make recommendations to the commissioner regarding a standard benefit set.*

(j) [CONFLICT OF INTEREST.] *The rules shall include provisions the commissioner deems necessary and appropriate to address integrated service networks' and participating providers' relationship to section 62J.23 or other laws relating to provider conflicts of interest.*

#### Sec. 6. [62N.06] [PERMITTED NETWORK STRUCTURE.]

*Subdivision 1. [NONPROFIT CORPORATION.] A corporation organized under chapter 317A may operate one or more integrated service networks. A corporation that operates one or more integrated service networks is governed by chapter 317A, except in the case of a conflict with this chapter, in which case this chapter governs. The corporation shall not engage in activities unrelated to integrated service networks, without the prior written approval of the commissioner. An entity that is not a corporation organized under chapter 317A shall not operate a network but may establish and own a corporation organized under chapter 317A to operate one or more networks.*

*Subd. 2. [SEPARATE ACCOUNTING REQUIRED.] A corporation operating more than one integrated service network must maintain separate accounting and record keeping procedures, acceptable to the commissioner, for each integrated service network.*

#### Sec. 7. [62N.065] [ADMINISTRATIVE COST CONTAINMENT.]

*Subdivision 1. [UNREASONABLE EXPENSES.] No integrated service network shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.*

*In an effort to achieve the stated purposes of sections 62N.01 to 62N.23, in order to safeguard the underlying nonprofit status of integrated service networks, and to ensure that the payment of integrated service network money to major participating entities results in a corresponding benefit to the integrated service network and its enrollees, when determining whether an organization has incurred an unreasonable expense in relation to a major*

participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the integrated service network have acted with good faith and in the best interests of the integrated service network in entering into, and performing under, a contract under which the integrated service network has incurred an expense. The commissioner has standing to sue, on behalf of an integrated service network, officers or trustees of the integrated service network who have breached their fiduciary duty in entering into and performing such contracts.

Subd. 2. [DATA ON PAYMENTS.] *Integrated service networks shall keep on file in the offices of the integrated service network data on the payments, salaries, and other remuneration paid to for-profit firms, affiliates, or to persons, for administrative expenses, service contracts, and management of the integrated service network and shall make it available to the commissioner.*

Subd. 3. [ADMINISTRATIVE COST REDUCTIONS.] *The commissioner shall establish a plan that requires integrated service networks to lower their administrative expenses and costs for each of the five years 1994 to 1998. This plan shall require lower administrative expenses in order to reflect savings experienced by integrated service networks from lowered reporting requirements, lowered underwriting and marketing expenses, and other features of the integrated service network plan.*

Subd. 4. [DISAPPROVAL OF CONTRACTS.] *The commissioner shall review all payments, administrative contracts, service contracts, and other agreements to determine the reasonableness of the cost of the contracts or agreements and effect of the contracts or agreements on the price of the integrated service network to enrollees. If the commissioner determines that a contract or agreement is not reasonable, the commissioner shall disapprove the contract or agreement. The commissioner may request any information that is necessary to determine if costs are reasonable.*

*The commissioner shall give reasons for the disapproval in writing to the integrated service network. This notice shall state that a hearing will be granted within 20 days after a request in writing by the integrated service network.*

Sec. 8. [62N.07] [STANDARD BENEFIT SET.]

(a) *Integrated service networks may provide any benefit set permitted under chapter 62A, 62C, 62D, 62L, or 64B, except that no benefit set may be less than a number two qualified plan as defined in section 62E.06. Products sold in the small employer market as defined in section 62L.02, must comply with all requirements of chapter 62L. The small employer plans, as defined in section 62L.02, may be sold even though they are not number two qualified plans, but may be sold only in the small employer market.*

(b) *A network may use any copayments, deductibles, and out-of-pocket limits permitted for a number two qualified plan under section 62E.06.*

(c) *A network may offer any Medicare supplement, Medicare select, or other Medicare-related product otherwise permitted for any type of health plan in this state. Each Medicare-related product may be offered only in full compliance with the requirements in chapters 62A, 62D, and 62E that apply to that category of product.*

*(d) Networks must comply with all continuation and conversion of coverage requirements applicable to health maintenance organizations under state or federal law.*

*(e) Networks must comply with state law applicable to coverage of newborn infants, dependent children who do not reside with a covered person, handicapped children and dependents, and adopted children. A network providing dependent coverage must comply with section 62A.302.*

Sec. 9. [62N.08] [AVAILABILITY OF SERVICES.]

*(a) An integrated service network is financially responsible to provide to each person enrolled all needed services required by statute, by the contract of coverage; or otherwise required under section 62N.07. For purposes of this section, "needed services" means services that are defined as medically necessary under chapter 62D, including any rules adopted under that chapter, or as further specified or modified by practice parameters adopted by the commissioner.*

*(b) The commissioner shall require that networks provide all needed services within a reasonable geographic distance for enrollees. The commissioner may adopt rules providing a more detailed requirement, consistent with this paragraph.*

Sec. 10. [62N.09] [ADDITIONAL COVERAGE OPTIONS AUTHORIZED.]

*The integrated service network may provide for a variety of benefit options to enrollees in addition to the standard benefit package, including additional covered services, different levels of copays, deductibles, and annual out-of-pocket limits, and a combination product or point-of-service option. For purposes of this section, a "combination product" means a combination of features of two or more types of products regulated under chapter 62A, 62C, 62D, 62L, or 64B, and a "point-of-service option" means a set of options offered by an integrated service network that gives the enrollee a choice between networks or the option to receive services outside of a network. Additional benefit options must be filed with and approved by the commissioner before they may be offered to enrollees. The commissioner may adopt rules governing permissible coverage options. This section does not permit benefit options that result in a benefit package that is not at least a number two qualified plan as required under section 62N.07, except as permitted by that section.*

Sec. 11. [62N.10] [LICENSING.]

*Subdivision 1. [REQUIREMENTS.] All integrated service networks must be licensed by the commissioner. Licensure requirements are:*

*(1) the ability to be responsible for the full continuum of required health care and related costs for the defined population that the integrated service network will serve;*

*(2) the ability to satisfy standards for quality of care;*

*(3) financial solvency; and*

*(4) the ability to fully comply with this chapter and all other applicable law.*

*The commissioner may adopt rules to specify licensure requirements for integrated service networks in greater detail, consistent with this subdivision.*

*Subd. 2. [FEES.] Licensees shall pay an initial fee of \$. . . . . and a renewal fee of \$. . . . . each following year to the commissioner of health.*

*Subd. 3. [LOSS OF LICENSE.] The commissioner may fine a licensee or suspend or revoke a license for violations of rules or statutes pertaining to integrated service networks.*

*Subd. 4. [PARTICIPATION; GOVERNMENT PROGRAMS.] Integrated service networks shall, as a condition of licensure, participate in the medical assistance, general assistance medical care, and MinnesotaCare programs. The commissioner shall adopt rules specifying the participation required of the networks. The rules must be consistent with Minnesota Rules, parts 9505.5200 to 9505.5260, governing participation by health maintenance organizations in public health care programs.*

*Subd. 5. [APPLICATION.] Each application for an integrated service network license must be in a form prescribed by the commissioner. Each application must include the following:*

*(1) a copy of the basic organizational document, if any, of the applicant and, at the request of the commissioner, of each participating entity, the articles of incorporation, or other applicable documents, and all amendments;*

*(2) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments which regulate the conduct of the affairs of the applicant, and of any participating entity, at the request of the commissioner;*

*(3) a list of the names, business addresses, and official positions of the following:*

*(i) 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*

*(ii) at the request of the commissioner, all members of the board of directors, or governing body of the local government unit, and the principal officers of any participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the participating entity;*

*(4) the name and business address of each participating entity and the agreed upon duration of each contract or agreement;*

*(5) a copy of the form of each contract binding any or all of the participating entities and the integrated service network;*

*(6) at the request of the commissioner, a copy of each contract binding any or all of the participating entities and the network. Contract information filed with the commissioner is private and subject to section 13.37, subdivision 1, paragraph (b), at the request of the network;*

*(7) a statement generally describing the applicant and the network, its network contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with the required network services and any additional services;*

(8) a copy of the form of each evidence of coverage to be issued to the enrollees;

(9) a copy of the form of each individual or group contract which is to be issued to enrollees or their representatives;

(10) 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;

(11) a financial plan that includes a three-year projection of the expenses and income and other sources of future capital;

(12) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(13) a description of the complaint procedures to be used as required;

(14) a copy of any agreement between the network and an insurer or nonprofit health service plan corporation regarding reinsurance, stop-loss or excess-of-loss coverage, insolvency coverage, or any other type of coverage for potential costs of health services;

(15) a statement indicating how the network will meet its potential tort liabilities, for medical malpractice and other sources of liability, together with copies of any related insurance policies and liability-related agreements with its participating entities;

(16) a copy of the conflict of interest policy which applies to all members of the board of directors and the principal officers of the network;

(17) a copy of the statement that describes the network's prior authorization, referral, second opinion, and utilization review procedures; and

(18) other information that the commissioner of health may reasonably require to be provided.

*Subd. 6. [DOCUMENTS ON FILE.]* A network shall agree to retain in its files any documents specified by the commissioner. A network shall permit the commissioner to examine those documents at any time and shall promptly provide copies of any of them to the commissioner upon request.

## Sec. 12. [62N.11] [EVIDENCE OF COVERAGE.]

*Subdivision 1. [APPLICABILITY.]* Every integrated service network enrollee residing in this state is entitled to evidence of coverage or contract. The integrated service network or its designated representative shall issue the evidence of coverage or contract. "Evidence of coverage" means evidence that an enrollee is covered by a group contract issued to the group.

*Subd. 2. [FILING.]* No evidence of coverage or contract or amendment of coverage or contract shall be issued or delivered to any individual in this state until a copy of the form of the evidence of coverage or contract or amendment of coverage or contract has been filed with and approved by the commissioner.

*Subd. 3. [CONTENTS.]* Contracts and evidences of coverage must contain:

(a) no provision or statement that is unjust, unfair, inequitable, misleading, deceptive, or untrue; and

(b) a clear, concise, and complete statement of:

(1) the services or other benefits to which the enrollee is entitled under the integrated service network contract;

(2) any exclusions or limitations on the services, kind of services, benefits, or kind of benefits to be provided, including any deductible or copayment feature and requirements for referrals, prior authorizations, utilization review, and second opinions;

(3) where and in what manner information is available about how services, including emergency and out-of-area services, may be obtained;

(4) the total amount of payment and copayment, if any, for health care services and for the indemnity or service benefits, if any, that the enrollee is obligated to pay with respect to individual contracts; and

(5) a description of the network's method for resolving enrollee complaints and a statement identifying the department of health as the regulatory agency with whom grievances may be registered.

**Subd. 4. [GRACE PERIOD.]** A grace period of 31 days must be granted for payment of each premium for an individual integrated service network contract falling due after the first premium, during which period the contract continues in force. Individual network contracts must clearly state the existence of the grace period.

**Subd. 5. [CANCELLATION OF CONTRACT.]** Individual integrated service network contracts must state that the individual may cancel the contract within ten days of its receipt and have the premium paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual must be required to pay the network for any services rendered or claims paid by the network during the ten days.

**Subd. 6. [TERMINATION.]** The contract and evidence of coverage must clearly explain the conditions under which an integrated service network may terminate coverage.

**Subd. 7. [CONTINUATION AND CONVERSION.]** The contract and evidence of coverage must clearly explain continuation and conversion rights afforded to enrollees.

**Subd. 8. [NOTICE.]** Individual and group contract holders must be given 30 days' written notice of any change in enrollee copayments or benefits.

**Subd. 9. [DELIVERY OF CONTRACT.]** Individual integrated service network contracts must be delivered to enrollees no later than the date coverage is effective. For enrollees with group contracts, an evidence of coverage must be delivered or issued for delivery not more than 15 days from the date the integrated service network is notified of the enrollment or the effective date of coverage, whichever is later.

**Subd. 10. [COMPLAINTS.]** An individual integrated service network contract and an evidence of coverage must contain a department of health telephone number that the enrollee can call to register a complaint about the network.

**Sec. 13. [62N.12] [ENROLLEE RIGHTS.]**

The cover page of the evidence of coverage and contract must contain a clear and complete statement of an enrollee's rights as a consumer. The statement must be in bold print and captioned "Important Consumer Information and Enrollee Bill of Rights" and must include but need not be limited to the following provisions in the following language or in substantially similar language approved in advance by the commissioner:

#### **"CONSUMER INFORMATION**

(1) **COVERED SERVICES:** Services provided by (name of integrated service network) will be covered only if services are provided by participating (name of integrated service network) providers or authorized by (name of integrated service network). Your contract fully defines what services are covered and describes procedures you must follow to obtain coverage.

(2) **PROVIDERS:** Enrolling in (name of integrated service network) does not guarantee services by a particular provider on the list of providers. When a provider is no longer part of (name of integrated service network), you must choose among remaining (name of integrated service network) providers.

(3) **REFERRALS:** Certain services are covered only upon referral. See section (section number) of your contract for referral requirements. All referrals to non-(name of integrated service network) providers and certain types of health care providers must be authorized by (name of integrated service network).

(4) **EMERGENCY SERVICES:** Emergency services from providers who are not affiliated with (name of integrated service network) will be covered only if proper procedures are followed. Your contract explains the procedures and benefits associated with emergency care from (name of integrated service network) and non-(name of integrated service network) providers.

(5) **EXCLUSIONS:** Certain services or medical supplies are not covered. You should read the contract for a detailed explanation of all exclusions.

(6) **CONTINUATION:** You may convert to an individual integrated service network contract or continue coverage under certain circumstances. These continuation and conversion rights are explained fully in your contract.

(7) **CANCELLATION:** Your coverage may be canceled by you or (name of integrated service network) only under certain conditions. Your contract describes all reasons for cancellation of coverage.

#### **ENROLLEE BILL OF RIGHTS**

(1) An enrollee has the right to available and accessible services including emergency services, as defined in your contract, 24 hours a day and seven days a week.

(2) An enrollee has the right to be informed of health problems, and to receive information regarding treatment alternatives and risks that is sufficient to assure informed choice.

(3) An enrollee has the right to refuse treatment, and the right to privacy of medical and financial records maintained by the integrated service network and its health care providers, in accordance with existing law.



(4) An enrollee has the right to file a grievance with the integrated service network and the commissioner of health and the right to initiate a legal proceeding when experiencing a problem with the integrated service network or its health care providers.

(5) An enrollee has the right to a grace period of 31 days for the payment of each premium for an individual integrated service network contract falling due after the first premium during which period the contract shall continue in force.

(6) A Medicare enrollee has the right to voluntarily disenroll from the integrated service network and the right not to be requested or encouraged to disenroll except in circumstances specified in federal law.

(7) A Medicare enrollee has the right to a clear description of nursing home and home care benefits covered by the integrated service network."

#### Sec. 14. [62N.13] [ENROLLEE COMPLAINT SYSTEM.]

*Subdivision 1. [SCOPE.] Every integrated service network must establish and maintain an enrollee complaint system, including an impartial arbitration provision, to provide reasonable procedures for the resolution of written complaints initiated by enrollees concerning the provision of health care services. "Provision of health care services" includes, but is not limited to, questions of the scope of coverage, quality of care, and administrative operations. Arbitration is subject to chapter 572, except:*

(1) if an enrollee elects to litigate a complaint prior to submission to arbitration; and

(2) no medical malpractice damage claim is subject to arbitration unless agreed to by both parties subsequent to the event giving rise to the claim.

*Subd. 2. [COMMISSIONER REVIEW.] If a complaint involves a dispute about an integrated service network's coverage of a service, the commissioner may review the complaint and any information and testimony necessary to make a determination and order the appropriate remedy pursuant to this chapter. If the commissioner obtains or maintains information on written complaints, the information on the complainant and on the enrollee whose case is the subject of the complaint is private data on individuals under chapter 13.*

*Subd. 3. [EXPEDITED RESOLUTION OF COMPLAINTS ABOUT URGENTLY NEEDED SERVICE.] In addition to any remedy contained in subdivision 2, if a complaint involves a dispute about an integrated service network's coverage of an immediately and urgently needed service, the commissioner may also order the integrated service network to use an expedited system to process the complaint.*

*Subd. 4. [RECORDS.] The integrated service network shall maintain a record of each written complaint filed with it for five years, and the commissioner of health shall have access to the records.*

*Subd. 5. [DENIAL OF SERVICE.] Within a reasonable time after receiving an enrollee's written or oral communication to the integrated service network concerning a refusal of service or inadequacy of services, the integrated service network shall provide the enrollee with a written statement of the reason for the refusal of service, and a statement approved by the commissioner of health that explains the integrated service network complaint*

procedures, and in the case of Medicare enrollees, that also explains Medicare appeal procedures.

*Subd. 6. [COVERAGE OF SERVICE.] An integrated service network may not deny or limit coverage of a service that the enrollee has already received solely on the basis of a 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 integrated service network had a prior authorization or second opinion been obtained.*

**Sec. 15. [62N.14] [MEDICAL MALPRACTICE LIABILITY.]**

*Subdivision 1. [MEDICAL MALPRACTICE LIABILITY BETWEEN INTEGRATED SERVICE NETWORK ENTITIES.] An entity operating an integrated service network is liable for medical malpractice committed by its employees and is not liable for the malpractice of its other health care providing entities. Each health care providing entity is liable for its own medical malpractice and is not liable for the medical malpractice of other health care providing entities or for negligent supervision of other health care providing entities. Participating entities are not jointly and severally liable for torts committed by the network or by participating providers. A network and its participating entities may by contract reallocate between themselves the risk of malpractice liability through indemnity, contribution, joint insurance, or otherwise, provided that the reallocation does not affect the rights of enrollees.*

*Subd. 2. [MEDICAL MALPRACTICE CASES.] (a) In an action against a provider for malpractice, error, mistake, or failure to cure, whether based in contract or tort, adherence to a pertinent practice parameter approved by the commissioner of health is an absolute defense against an allegation that the provider did not comply with accepted standards of practice in the community.*

*(b) Evidence of a departure from a practice parameter is not admissible unless the provider is claiming the absolute defense under paragraph (a).*

*(c) Paragraphs (a) and (b) apply to claims arising on or after August 1, 1993, or 90 days after the date the commissioner approves the applicable practice parameter, whichever is later.*

*(d) Nothing in this section changes the plaintiff's burden of proof in a civil action against a provider or creates a new basis upon which to establish liability against a provider.*

**Sec. 16. [62N.15] [MARKETING.]**

*Subdivision 1. [PERMITTED PURCHASERS.] An integrated service network may contract to provide health services to:*

- (1) individuals, including dependents;*
- (2) groups of individuals, including employees of a private or public employer and individual members of an association, and their dependents;*
- (3) associations or other groups comprised of groups, including associations of employers;*
- (4) the public employees insurance plan and the private employers insurance program established under chapter 43A;*

(5) any state or federal health program, including medical assistance, Medicare, MinnesotaCare, or general assistance medical care; and

(6) the comprehensive health association established in section 62E.10.

*Integrated service networks are subject to section 62A.303 with respect to all enrolled groups, whether or not they are employer-based groups.*

*Subd. 2. [MARKETING CONDUITS.] An integrated service network may offer or sell its services through any person or method permitted to sell health coverage under chapter 60A, 60K, 62C, 62D, or 62L. Persons regulated under those chapters with respect to sales of coverage are subject to the supervision of the commissioner of commerce with respect to marketing of network coverage. The commissioner of health may adopt rules permitting the marketing of network coverage through other means.*

**Sec. 17. [62N.16] [UNDERWRITING AND RATING.]**

*Subdivision 1. [APPLICABILITY.] Except as provided in subdivision 3, this section applies to the standard benefit plan under section 62N.07 and does not apply to supplemental coverage described in section 62N.10. This section does not require coverage by an integrated service network of any group or individual residing outside of the network's service area. A network's service area includes a geographic service region agreed to by the commissioner and the network at the time of licensure. This section does not apply to any group that the commissioner determines is organized or functions primarily to provide coverage to one or more high risk individuals. The commissioner may adopt rules specifying other types of groups to which this section does not apply.*

*Subd. 2. [GROUP MEMBERS.] Integrated service networks shall charge the same rate for each individual in a group, except as appropriate to provide dependent or family coverage.*

*Subd. 3. [SMALL EMPLOYERS.] To provide services to employees of a small employer as defined in section 62L.02, integrated service networks shall comply with chapter 62L.*

**Sec. 18. [62N.17] [RELATIONSHIP; NETWORKS; COMPREHENSIVE HEALTH ASSOCIATION.]**

*A corporation operating an integrated service network is and must remain a contributing member of the comprehensive health association established under section 62E.10. Participating entities that are members of that association are assessable by the association on revenues derived from or through networks. Participating entities may claim a credit against assessment liability for assessments paid by the network with respect to the same premiums.*

**Sec. 19. [62N.18] [INSOLVENCY.]**

*Subdivision 1. [EFFECTS ON ENROLLEES.] Corporations that operate an integrated service network are not members of the life and health insurance guaranty association under chapter 61B. When a corporation operating a network becomes insolvent, its enrollees have the right to receive the same alternative coverage provided by the comprehensive health association under section 62D.181 to enrollees in insolvent health maintenance organizations.*

*Subd. 2. [NOTICE TO ENROLLEES.] Prospective enrollees in an integrated service network must be given, prior to their commitment to enroll, a written notice on a form approved by the commissioner describing the effects of, and their rights in the event of, an insolvency of the corporation operating the network.*

**Sec. 20. [62N.19] [LIQUIDATION, REHABILITATION, AND CONSERVATION PROCEEDINGS.]**

*The liquidation, rehabilitation, and conservation provisions of section 62D.18 and chapter 60B apply to an integrated service network.*

**Sec. 21. [62N.20] [RISK-BEARING ENTITIES.]**

*An entity operating an integrated service network may retain the risk of providing coverage or may transfer all or any part of the risk through purchase of reinsurance, including but not limited to stop-loss or excess-of-loss coverage, from an assuming insurer that qualifies under section 60A.092, a nonprofit health service plan corporation operating under chapter 62C, a health maintenance organization operating under chapter 62D, or another entity if first approved by the commissioner.*

**Sec. 22. [62N.21] [INSOLVENCY PREVENTION.]**

*Subdivision 1. [DEFINITIONS.] (a) The definitions provided in this subdivision apply to this section.*

*(b) "Admitted assets" means admitted assets as defined in section 62D.044.*

*(c) "Net worth" means net worth as defined in section 62D.02, subdivision 15.*

*(d) "Working capital" means current assets minus current liabilities.*

*(e) "Guaranteeing organization" means an organization that has agreed to make necessary contributions or advancements to an integrated service network to maintain the network's required net worth.*

*Subd. 2. [NET WORTH REQUIREMENT.] Except as permitted by subdivision 4, every entity operating an integrated service network must maintain a minimum net worth equal to the greater of:*

*(1) \$1,000,000; or*

*(2) an amount equal to 8-1/3 percent of the sum of all expenses expected to be incurred in the network's first 12 months of operation, or, for an existing network, 8-1/3 percent of the sum of all expenses incurred in the most recent calendar year.*

*Subd. 3. [PHASE-IN PROVISION.] A network satisfies subdivision 2 if the network meets the following phase-in schedule:*

*(1) 25 percent of the amount required by subdivision 2 as of the date that the network begins providing services;*

*(2) 50 percent of the amount required by subdivision 2 as of the end of the network's first year of providing services, except that if that date is not December 31, the network need not comply until the next December 31;*

(3) 75 percent of the amount required by subdivision 2 as of the December 31 immediately following the December 31 deadline provided in clause (2);

(4) 100 percent of the amount required by subdivision 2 as of the December 31 immediately following the December 31 deadline provided in clause (3).

**Subd. 4. [ALTERNATIVE SOLVENCY REQUIREMENT.]** As an alternative to the net worth requirement under subdivision 2, the commissioner may permit an integrated service network to prove its financial solvency and stability by a means that does not satisfy that subdivision but that:

- (1) is at least as protective of the welfare of the network's enrollees; and
- (2) does not provide the network with an unfair advantage over competing networks.

In administering this subdivision, the commissioner may adopt emergency and permanent rules.

**Subd. 5. [WORKING CAPITAL.]** An integrated service network must maintain a positive working capital. If the network fails to meet this requirement, the commissioner and the network shall comply with section 62D.042, subdivision 7.

**Subd. 6. [INVESTMENT OF NETWORK ASSETS.]** An integrated service network shall invest its assets only in compliance with section 62D.045.

**Subd. 7. [CREDIT FOR REINSURANCE.]** An integrated service network may credit against its liabilities 90 percent of the premiums that it pays for reinsurance that complies with section 62N.20.

**Subd. 8. [GUARANTEEING ORGANIZATION.]** With the written approval of the commissioner, an integrated service network may satisfy the net worth requirement by arranging for a guaranteeing organization to assume the network's obligation to maintain the required net worth. A guaranteeing organization for a network shall comply with section 62D.043. A guaranteeing organization that is a health care provider may pledge real estate to satisfy its obligation, provided that the pledge is secured by a real estate mortgage recorded in the office of the county recorder or filed in the office of the county registrar of titles. The network shall provide a title opinion or title insurance policy and an appraisal at the request of the commissioner or as otherwise required by rule.

**Subd. 9. [DEPOSIT REQUIREMENT.]** (a) An integrated service network shall maintain at all times on deposit with the commissioner \$300,000 worth of cash, securities, or any combination of cash and securities. Securities must be United States Treasury obligations, unless otherwise permitted by the commissioner. The network may withdraw interest accrued on the deposit on a quarterly basis or as otherwise approved by the commissioner. With the approval of the commissioner, the deposit may be held by a third party independent trustee in a custodial or controlled account. A deposit is an admitted asset and counts toward the network's required net worth. A network may follow a phase-in schedule to comply with this paragraph as follows:

- (1) \$150,000 as of the date that the network begins operations; and
- (2) \$300,000 as of one year later.

(b) *In lieu of the amount required under paragraph (a), the rules adopted under section 62N.05 may provide a deposit requirement specified on a per enrollee basis and eligible for a phase-in schedule no more lenient than that provided in paragraph (a).*

*Subd. 10. [USE OF DEPOSIT.] If the integrated service network is placed under an order of rehabilitation or conservation, the commissioner shall use the deposit to protect the interests of the enrollees and assure continuation of health care services to enrollees. If the network is placed under an order of liquidation, the deposit is an asset subject to chapter 60B, except that the commissioner has a lien on the deposit to reimburse the commissioner for administrative costs directly attributable to the insolvency.*

*Subd. 11. [FINANCIAL REPORTING.] An integrated service network shall submit financial reports to the commissioner as required by section 62D.08, or as the commissioner otherwise requires by rule.*

*Subd. 12. [FINANCIAL EXAMINATIONS.] An integrated service network and its participating entities and guaranteeing organizations are subject to examination by the commissioner under section 62D.14, or as the commissioner otherwise requires by rule.*

**Sec. 23. [62N.22] [RELATIONSHIPS WITH PROVIDERS.]**

*Subdivision 1. [CONTRACTS.] An integrated service network's relationship with health care providers must be by contract, except in the case of covered out-of-network services. Any reimbursement method not prohibited by the commissioner is allowable, including fee-for-service, salary, and capitation. A copy of each contract between an integrated service network and any or all of its providers must be kept on file by the network and made available to the commissioner upon request. The contract must provide that if the network fails to pay the provider for services provided, the enrollee is not liable to the provider for payment. The contract may permit providers to receive payment from an enrollee for services not covered by the enrollee's network contract, but only based upon a written agreement between the provider and the enrollee after the network has provided written notice that the network has denied coverage for the service.*

*Subd. 2. [SERVICES.] Providers may contract with an integrated service network to provide all or a portion of the services that an integrated service network must provide. Providers may choose not to participate in an integrated service network, may participate in more than one integrated service network, or may simultaneously serve both integrated service network enrollees and regulated all-payer system patients.*

**Sec. 24. [62N.23] [TECHNICAL ASSISTANCE.]**

*(a) The commissioner shall provide technical assistance to parties interested in establishing or operating an integrated service network. This shall be known as the integrated service network technical assistance program (ISNTAP).*

*The technical assistance program shall offer seminars on the establishment and operation of integrated service networks in all regions of Minnesota. The commissioner shall advertise these seminars in local and regional newspapers, and attendance at these seminars shall be free.*

*The commissioner shall write a guide to establishing and operating an integrated service network. The guide must provide basic instructions for*

parties wishing to establish an integrated service network. The guide must be provided free of charge to interested parties. The commissioner shall update this guide when appropriate.

The commissioner shall establish a toll-free telephone line that interested parties may call to obtain assistance in establishing or operating an integrated service network.

(b) The commissioner shall grant loans for organizational and start-up expenses to entities forming integrated service networks or to networks less than one year old, to the extent of any appropriation for that purpose. The commissioner shall allocate the available funds among applicants based upon the following criteria, as evaluated by the commissioner within the commissioner's discretion:

(1) the applicant's need for the loan;

(2) the likelihood that the loan will foster the formation or growth of a network; and

(3) the likelihood of repayment.

The commissioner shall determine any necessary application deadlines and forms and is exempt from rulemaking in doing so.

Sec. 25. Minnesota Statutes 1992, section 256.9657, subdivision 3, is amended to read:

Subd. 3. [HEALTH MAINTENANCE ORGANIZATION; INTEGRATED SERVICE NETWORK SURCHARGE.] Effective October 1, 1992, each health maintenance organization with a certificate of authority issued by the commissioner of health under chapter 62D and each integrated service network licensed by the commissioner under sections 62N.01 to 62N.22 shall pay to the commissioner of human services a surcharge equal to six-tenths of one percent of the total premium revenues of the health maintenance organization or integrated service network as reported to the commissioner of health according to the schedule in subdivision 4.

Sec. 26. [BORDER COMMUNITIES.]

The commissioner of health shall monitor the effects of integrated service networks and the regulated all-payer system in communities in which a substantial proportion of health care services provided to Minnesota residents are provided in states bordering Minnesota and may amend the rules adopted under article 1 or 2 to minimize effects that inhibit Minnesota residents' ability to obtain access to quality health care. The commissioner shall report to the Minnesota health care commission and the legislature any effects that the commissioner intends to address by amendments to the rules adopted under article 1 or 2.

Sec. 27. [EFFECTIVE DATE.]

Sections 1 to 26 are effective the day following final enactment.

## ARTICLE 2

### REGULATED ALL-PAYER SYSTEM GOVERNING SERVICES NOT PROVIDED THROUGH INTEGRATED SERVICE NETWORKS

Section 1. [62O.01] [REGULATED ALL-PAYER SYSTEM.]

The regulated all-payer system established under this chapter governs all health care services that are provided outside of an integrated service network. The regulated all-payer system is designed to control costs, prices, and utilization of all health care services not provided through an integrated service network while maintaining or improving the quality of services. The commissioner of health shall adopt rules establishing controls within the system to ensure that the rate of growth in spending in the system, after adjustments for population size and risk, remains within the limits set by the commissioner under section 62J.04. All providers that serve Minnesota residents and all health plans that cover Minnesota residents shall comply with the requirements and rules established under this chapter for all health care services or coverage provided to Minnesota residents.

Sec. 2. [62O.03] [RULES.]

(a) The commissioner of health, in consultation with the Minnesota health care commission, shall adopt permanent and emergency rules to implement this chapter. The rules must be adopted in accordance with chapter 14 and may be adopted by the use of emergency rulemaking. The commissioner shall include in the rules the following:

(1) methods for controlling payments to providers such as uniform fee schedules or rate limits to be applied to all health plans and health care providers with independent billing rights;

(2) methods for controlling utilization of services such as the application of standardized utilization review criteria, incentives based on setting and achieving volume targets, recovery of excess spending due to overutilization, or required use of practice parameters;

(3) methods for monitoring quality of care and mechanisms to enforce the quality of care standards;

(4) requirements for maintaining and reporting data on costs, prices, revenues, expenditures, utilization, quality of services, and outcomes;

(5) measures to prevent or discourage adverse risk selection between the regulated all-payer system and integrated service networks;

(6) measures to coordinate the regulated all-payer system with integrated service networks to minimize or eliminate barriers to access to health care services that might otherwise result;

(7) an appeals process;

(8) measures to encourage and facilitate appropriate use of midlevel practitioners and eliminate undesirable barriers to their participation in providing services;

(9) measures to assure appropriate use of technology and to manage introduction of new technology;

(10) consequences to be imposed on providers whose expenditures have exceeded the limits established by the commissioner; and

(11) restrictions on provider conflicts of interest.

(b) The commissioner may phase in the regulated all-payer system over a transition period not to exceed two years. During the transition period, the growth limits will be effective for calendar year 1994 and any excess growth



that occurs during the transition period must be recouped in subsequent years.

Sec. 3. [EVALUATION.]

The commissioner of health shall evaluate the regulated all-payer system and assess its impact on cost containment goals, access to health care services, and quality of care and shall present a preliminary report to the legislature by January 1, 1995, and a final report to the legislature by January 1, 1996.

Sec. 4. [APPLICABILITY OF OTHER LAWS.]

Except as expressly provided in rules adopted under this chapter, to the extent that a provider provides services in the regulated all-payer system, the provider is subject to all other statutes and rules that apply to providers of that type on the effective date of this section, including, as applicable, Minnesota Statutes, sections 62J.17 and 62J.23.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment.

### ARTICLE 3

#### DATA COLLECTION AND COST CONTROL INITIATIVES

Section 1. Minnesota Statutes 1992, section 62J.03, subdivision 6, is amended to read:

Subd. 6. [GROUP PURCHASER.] "Group purchaser" means a person or organization that purchases health care services on behalf of an identified group of persons, regardless of whether the cost of coverage or services is paid for by the purchaser or by the persons receiving coverage or services, as further defined in rules adopted by the commissioner. "Group purchaser" includes, but is not limited to, *integrated service networks*; health insurance companies, health maintenance organizations, *nonprofit health service plan corporations*, and other health plan companies; employee health plans offered by self-insured employers; *trusts established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, title 29, section 141, et seq.*; the *Minnesota comprehensive health association*; group health coverage offered by fraternal organizations, professional associations, or other organizations; state and federal health care programs; state and local public employee health plans; workers' compensation plans; and the medical component of automobile insurance coverage.

Sec. 2. Minnesota Statutes 1992, section 62J.04, subdivision 1, is amended to read:

Subdivision 1. [~~COMPREHENSIVE BUDGET LIMITS ON THE RATE OF GROWTH.~~] (a) The commissioner of health shall set an annual ~~limit~~ *limits* on the rate of growth of public and private spending on health care services for Minnesota residents, *as provided in paragraph (b).* The ~~limit~~ *limits* on growth must be set at a ~~level~~ *levels* the commissioner determines to be realistic and achievable but that will ~~slow~~ *reduce* the ~~current~~ *rate* of growth in health care spending by at least ten percent per year ~~using the spending growth rate for 1991 as a base year.~~ This ~~limit~~ *must* be achievable through good faith.

cooperative efforts of health care consumers, purchasers, and providers for the next five years. The commissioner shall set limits on growth based on available data on spending and growth trends, including data from group purchasers, national data on public and private sector health care spending and cost trends, and trend information from other states.

(b) The commissioner shall set the following annual limits on the rate of growth of public and private spending on health care services for Minnesota residents:

(1) for calendar year 1994, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(2) for calendar year 1995, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(3) for calendar year 1996, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(4) for calendar year 1997, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points; and

(5) for calendar year 1998, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points.

If the health care financing administration forecast for the total growth in national health expenditures for a calendar year is lower than the rate of growth for the calendar year as specified in clauses (1) to (5), the commissioner shall adopt this forecast as the growth limit for that calendar year. The commissioner shall adjust the growth limit set for calendar year 1995 to recover savings in health care spending required for the period July 1, 1993 to December 31, 1993. The commissioner shall publish:

(1) the limits in the State Register by March 15 of the year immediately preceding the year in which the limit will be effective except for the year 1993, in which the limit shall be published by July 1, 1993;

(2) the quarterly change in the regional consumer price index for urban consumers; and

(3) the health care financing administration forecast for total growth in the national health care expenditures. In setting an annual limit, the commissioner is exempt from the rulemaking requirements of chapter 14. The commissioner's decision on an annual limit is not appealable.

Sec. 3. Minnesota Statutes 1992, section 62J.04, is amended by adding a subdivision to read:

*Subd. 1a. [ENFORCEMENT OF LIMITS ON GROWTH.] (a) The commissioner shall enforce limits on growth in spending and revenues for integrated service networks and for the regulated all-payer system. For purposes of enforcing limits, the commissioner may adjust a growth limit to account for differences between the actual and forecasted change in health care spending. If the commissioner determines that artificial inflation or*

*padding of costs or prices has occurred in anticipation of the implementation of growth limits, the commissioner may adjust the base year spending totals or growth limits or take other action to reverse the effect of the artificial inflation or padding.*

*(b) The commissioner shall impose and enforce overall limits on growth in revenues and spending for integrated service networks, with adjustments for changes in enrollment, benefits, severity, and risks. If an integrated service network exceeds a spending limit, the commissioner may reduce future limits on growth in premium revenues for that integrated service network by up to the amount overspent. If the integrated service network system exceeds a systemwide spending limit, the commissioner may reduce future limits on growth in aggregate premium revenues for the integrated service network system by up to the amount overspent.*

*(c) The commissioner shall set prices, utilization controls, and other requirements for the regulated all-payer system to ensure that the overall costs of this system, after adjusting for changes in population, severity, and risk, do not exceed the growth limits. If spending growth limits for a calendar year are exceeded, the commissioner may reduce reimbursement rates or otherwise recoup overspending for all or part of the next calendar year, to recover in savings up to the amount of money overspent. To the extent possible, the commissioner may reduce reimbursement rates or otherwise recoup overspending from individual providers who exceed the spending growth limits.*

Sec. 4. Minnesota Statutes 1992, section 62J.04, subdivision 2, is amended to read:

Subd. 2. [DATA COLLECTION BY COMMISSIONER.] For purposes of ~~setting~~ forecasting rates of growth in health care spending and setting limits under this section subdivisions 1 and 1a, the commissioner ~~shall~~ may collect from all Minnesota health care providers data on patient revenues and health care spending received during a time period specified by the commissioner. The commissioner ~~shall~~ may also collect data on health care revenues and spending from all group purchasers of health care. All Health care providers and group purchasers doing business in the state shall provide the data requested by the commissioner at the times and in the form specified by the commissioner. Professional licensing boards and state agencies responsible for licensing, registering, or regulating providers shall cooperate fully with the commissioner in achieving compliance with the reporting requirements.

Subd. 2a. [FAILURE TO PROVIDE DATA.] ~~The~~ intentional failure to provide ~~reports~~ the data requested under this ~~section~~ chapter is grounds for revocation of a license or other disciplinary or regulatory action against a regulated provider. The commissioner may assess a fine against a provider who refuses to provide ~~information~~ data required by the commissioner under this section. If a provider refuses to provide a ~~report~~ or ~~information~~ the data required under this section, the commissioner may obtain a court order requiring the provider to produce documents and allowing the commissioner to inspect the records of the provider for purposes of obtaining the ~~information~~ data required under this section.

Subd. 2b. [DATA PRIVACY.] All data received is ~~private~~ or nonpublic, ~~trade secret information~~ under section ~~13.37~~ as applicable, except to the extent that it is given a different classification elsewhere in this chapter. The commissioner shall establish procedures and safeguards to ensure that data provided to the Minnesota health care commission released by the commis-

sioner is in a form that does not identify individual specific patients, providers, employers, purchasers, or other specific individuals and organizations, except with the permission of the affected individual or organization, or as permitted elsewhere in this chapter.

Sec. 5. [62J.045] [MEDICAL EDUCATION AND RESEARCH COSTS.]

*Subdivision 1. [PURPOSE.] The legislature finds that all health care stakeholders, as well as society at large, benefit from medical education and health care research. The legislature further finds that the cost of medical education and research should not be borne by a few hospitals or medical centers but should be fairly allocated across the health care system.*

*Subd. 2. [DEFINITION.] For purposes of this section, "health care research" means research that is not subsidized from private grants, donations, or other outside research sources but is funded by patient out-of-pocket expenses or a third party payer and has been approved by an institutional review board certified by the United States Department of Health and Human Services.*

*Subd. 3. [COST ALLOCATION FOR EDUCATION AND RESEARCH.] By January 1, 1994, the commissioner of health, in consultation with the health care commission and the health planning advisory committee, shall:*

*(1) develop mechanisms to gather data and to identify the annual cost of medical education and research conducted by hospitals, medical centers, or health maintenance organizations;*

*(2) determine a percentage of the annual rate of growth established under section 62J.04 to be allocated for the cost of education and research and develop a method to assess the percentage from each group purchaser;*

*(3) develop mechanisms to collect the assessment from group purchasers to be deposited in a separate education and research fund; and*

*(4) develop a method to allocate the education and research fund to specific health care providers.*

Sec. 6. Minnesota Statutes 1992, section 62J.09, is amended by adding a subdivision to read:

*Subd. 1a. [DUTIES RELATED TO COST CONTAINMENT.] (a) [ALLOCATION OF REGIONAL SPENDING LIMITS.] Regional coordinating boards may advise the commissioner regarding allocation of annual regional limits on the rate of growth for providers in the regulated all-payer system in order to:*

*(1) achieve community-wide and regional public health goals consistent with those established by the commissioner; and*

*(2) promote access to and equitable reimbursement of preventive and primary care providers.*

*(b) [TECHNICAL ASSISTANCE.] Regional coordinating boards, in cooperation with the commissioner, shall provide technical assistance to parties interested in establishing or operating an integrated service network within the region. This assistance must complement assistance provided by the commissioner under section 62N.23.*

Sec. 7. Minnesota Statutes 1992, section 62J.33, is amended to read:

62J.33 [TECHNICAL ASSISTANCE INFORMATION ON COST AND QUALITY FOR PURCHASERS.]

*Subdivision 1. [HEALTH CARE ANALYSIS UNIT.]* The health care analysis unit shall provide ~~technical assistance information to health plan and health care~~ assist group purchasers and consumers in making informed decisions regarding purchasing of health care services. The unit shall provide information allowing comparisons between integrated service networks and between health care services and systems: The unit shall collect information about:

(1) premiums, benefit levels, *patient or enrollee satisfaction*, managed care procedures, health care outcomes, and other features of ~~popular~~ integrated service networks, health plans, and health carriers; and

(2) prices, outcomes, provider experience, and other information for services less commonly covered by insurance or for which patients commonly face significant out-of-pocket expenses; and

(3) information on health care services not provided through integrated service networks, including information on prices, costs, expenditures, utilization, quality of care, and outcomes.

The commissioner shall publicize this information in an easily understandable format.

*Subd. 2. [INFORMATION CLEARINGHOUSE.]* The commissioner of health shall establish an information clearinghouse within the department of health to facilitate the ability of consumers, employers, providers, health carriers, and others to obtain information on health care costs and quality in Minnesota. The commissioner shall make available through the clearinghouse information developed or collected by the department of health on practice parameters, outcomes data and research, the costs and quality of integrated service networks, reports or recommendations of the health planning advisory committee and other entities on technology assessments, worksite wellness and prevention programs, other wellness programs, consumer education, and other initiatives. The clearinghouse shall, upon request, make available information submitted voluntarily by health plans, providers, employers, and others if the information clearly states that an entity other than the state submitted the information, identifies the entity, and states that distribution by the clearinghouse does not imply endorsement of the entity or the information by the commissioner of health or the state of Minnesota. The clearinghouse shall also refer requesters to sources of further information or assistance. The clearinghouse is subject to chapter 13.

Sec. 8. [62J.35] [DATA COLLECTION.]

*Subdivision 1. [CONTRACTING.]* The commissioner may contract with private organizations to carry out the data collection initiatives required by this chapter. The commissioner shall require in the contract that organizations under contract adhere to the data privacy requirements established under chapter 13 and this chapter.

*Subd. 2. [EMERGENCY RULES.]* The commissioner shall adopt emergency and permanent rules to implement the data collection and reporting requirements in this chapter. The commissioner may combine all data reporting and collection requirements into a unified process so as to minimize duplication and administrative costs.

**Sec. 9. [62J.37] [DATA FROM INTEGRATED SERVICE NETWORKS.]**

*The commissioner shall require integrated service networks operating under section 62N.06, subdivision 1, to submit data on health care spending and revenue for calendar year 1994 by February 15, 1995. Each February 15 thereafter, integrated service networks shall submit to the commissioner data on health care spending and revenue for the preceding calendar year. The data must be provided in the form specified by the commissioner. To the extent that an integrated service network is operated by a group purchaser under section 62N.06, subdivision 2, the integrated service network is exempt from this section and the group purchaser must provide data on the integrated service network under section 62J.38.*

**Sec. 10. [62J.38] [DATA FROM GROUP PURCHASERS.]**

*(a) The commissioner shall require group purchasers to submit detailed data on total health care spending for calendar years 1990, 1991, and 1992, and for calendar year 1993 and successive calendar years. Group purchasers shall submit data for the 1993 calendar year by February 15, 1994, and each February 15 thereafter shall submit data for the preceding calendar year.*

*(b) The commissioner shall require each group purchaser to submit data on revenue, expenses, and member months, as applicable. Revenue data must distinguish between premium revenue and revenue from other sources, and must also include information on the amount of revenue in reserves and changes in reserves. Expenditure data, including raw data from claims, must be provided separately for the following categories: physician services, dental services; other professional services, inpatient hospital services, outpatient hospital services, emergency and out-of-area care, pharmacy services and prescription drugs, mental health services, chemical dependency services, other expenditures, and administrative costs.*

*(c) State agencies and all other group purchasers shall provide the required data using a uniform format and uniform definitions, as prescribed by the commissioner.*

**Sec. 11. [62J.40] [DATA FROM STATE AGENCIES.]**

*In addition to providing the data required under section 62J.38, the commissioners of human services, commerce, labor and industry, and employee relations and all other state departments or agencies that administer one or more health care programs shall provide to the commissioner of health any additional data on the health care programs they administer that is requested by the commissioner of health, including data in unaggregated form, for purposes of developing estimates of spending, setting spending limits, and monitoring actual spending. The data must be provided at the times and in the form specified by the commissioner of health.*

**Sec. 12. [62J.41] [DATA FROM PROVIDERS.]**

*Subdivision 1. [DATA TO BE COLLECTED FROM PROVIDERS.] The commissioner shall require health care providers to collect and provide both patient specific information and descriptive and financial aggregate data on:*

- (1) the total number of patients served;*
- (2) the total number of patients served by state of residence and Minnesota county;*

- (3) the site or sites where the health care provider provides services;
- (4) the number of individuals employed, by type of employee, by the health care provider;
- (5) the services and their costs for which no payment was received;
- (6) total revenue by type of payer, including but not limited to, revenue from Medicare, medical assistance, MinnesotaCare, nonprofit health service plan corporations, commercial insurers, integrated service networks, health maintenance organizations, and individual patients;
- (7) revenue from research activities;
- (8) revenue from educational activities;
- (9) revenue from out-of-pocket payments by patients;
- (10) revenue from donations; and
- (11) any other data required by the commissioner, including data in unaggregated form, for the purposes of developing spending estimates, setting spending limits, monitoring actual spending, and monitoring costs and quality.

*Subd. 2. [ANNUAL MONITORING AND ESTIMATES.] The commissioner shall require health care providers to submit the required data for the period July 1, 1993 to December 31, 1993, by February 15, 1994. Health care providers shall submit data for the 1994 calendar year by February 15, 1995, and each February 15 thereafter shall submit data for the preceding calendar year. The commissioner of revenue may collect health care service revenue data from health care providers, if the commissioner of revenue and the commissioner agree that this is the most efficient method of collecting the data. The commissioner of revenue shall provide any data collected to the commissioner of health.*

*Subd. 3. [PUBLIC HEALTH GOALS.] The commissioner shall establish specific public health goals, including, but not limited to, increased delivery of prenatal care, improved birth outcomes, and expanded childhood immunizations. The commissioner shall require health care providers to maintain and periodically report information on changes in health outcomes related to specific public health goals. The information must be provided at the times and in the form specified by the commissioner.*

**Sec. 13. [62J.42] [QUALITY, UTILIZATION, AND OUTCOME DATA.]**

*The commissioner shall also require group purchasers and health care providers to maintain and periodically report information on quality of care, utilization, and outcomes. The information must be provided at the times and in the form specified by the commissioner.*

**Sec. 14. [62J.44] [PUBLICATION OF DATA.]**

*(a) Notwithstanding section 62J.04, subdivision 2b, the commissioner may publish data on health care costs and spending, quality and outcomes, and utilization for health care institutions, individual health care professionals and groups of health care professionals, group purchasers, and integrated service networks, with a description of the methodology used for analysis, in order to provide information to purchasers and consumers of health care. The commissioner shall not reveal the name of an institution, group of profes-*

sionals, individual health care professional, group purchaser, or integrated service network until after the institution, group of professionals, individual health care professional, group purchaser, or integrated service network has had 15 days to review the data and comment. The commissioner shall include any comments received in the release of the data.

(b) Summary data derived from data collected under this chapter may be provided under section 13.05, subdivision 7, and may be released in studies produced by the commissioner or otherwise in accordance with chapter 13.

**Sec. 15. [62J.45] [DATA INSTITUTE.]**

*Subdivision 1. [DEFINITIONS.] For purposes of this section, "encounter level data" means data related to the provision of health care services to individual patients, enrollees, or insureds, including claims data, abstracts of medical records, and data from patient interviews and patient surveys.*

*Subd. 2. [COMMISSIONER'S DUTIES.] The commissioner shall establish a data institute to collect and process encounter level data that are required to be submitted to the commissioner under this chapter. The commissioner shall provide general oversight of the administration of the institute. The commissioner may intervene in the direct operation of the institute, if this is necessary in the judgment of the commissioner to accomplish the institute's duties. Until the data institute is operational, the commissioner shall directly collect all encounter level data required under this chapter.*

*Subd. 3. [BOARD OF DIRECTORS.] The institute is governed by a 14 member board of directors. The commissioner shall appoint all board members and designate a chair after considering the board's recommendation. The board consists of the following members:*

- (1) three representatives of health care providers;*
- (2) two representatives of health carriers;*
- (3) two consumer members;*
- (4) two employer representatives, one representing an employer with under 30 employees, and the other representing an employer with more than 30 employees;*
- (5) two researchers experienced in the collection and processing of encounter level data; and*
- (6) three representatives of state agencies, one member representing the department of employee relations, one member representing the department of human services, and one member representing the department of health.*

*Subd. 4. [TERMS; COMPENSATION; REMOVAL; AND VACANCIES.] The board is governed by section 15.0575.*

*Subd. 5. [STAFF.] The board may hire an executive director. The executive director may participate in the following plans for employees in the unclassified service: the state retirement plan, the state deferred compensation plan, and the health insurance and life insurance plans. The attorney general shall provide legal services to the board.*

*Subd. 6. [DUTIES.] The board, through the data institute, shall:*



(1) collect the encounter level data required to be submitted by group purchasers under sections 62J.38 and 62J.42, state agencies under section 62J.40, and health care providers under sections 62J.41 and 62J.42, using, to the greatest extent possible, the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;

(2) collect the encounter level data required for the initiatives of the health care analysis unit, under sections 62J.30 to 62J.34, using, to the greatest extent possible, the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;

(3) process the data collected to ensure consistency, accuracy, and completeness, and as appropriate, merge data collected from different sources;

(4) provide unaggregated, encounter-level data to the data analysis unit within the department of health; and

(5) carry out other duties assigned in this section.

Subd. 7. [USE OF DATA.] (a) The commissioner of health is responsible for the analysis of the data provided through the data institute, and the development and dissemination of reports. The commissioner shall supplement the data provided by the data institute with aggregate data collected under chapter 62J.

(b) The board shall make the data collected through the institute available to group purchasers, health care providers, consumers, researchers, and other interested parties. The board may require users of data to contribute towards the cost of data collection through the payment of fees. The commissioner shall require users of data to maintain the data according to the data privacy provisions applicable to the data.

Subd. 8. [CONTRACTING.] The commissioner, on behalf of the board, may contract with private sector entities to carry out the duties assigned in this section. The commissioner shall diligently seek to enter into contracts with private sector entities. Any contract must list the specific data to be collected and the methods to be used to collect the data. Any contract must require the private sector entity to maintain the data collected according to the data privacy provisions applicable to the data. The board shall advise the commissioner regarding the performance of any private sector entity under contract.

Subd. 9. [DATA PRIVACY.] The board and the institute are subject to chapter 13.

Subd. 10. [FEDERAL AND OTHER GRANTS.] The commissioner and the board shall seek federal funding, and funding from private and other nonstate sources, for the initiatives required by the board.

#### Sec. 16. [62J.46] [MONITORING AND REPORTS.]

Subdivision 1. [LONG-TERM CARE COSTS.] The commissioner, with the advice of the interagency long-term care planning committee established under section 144A.31, shall use existing state data resources to monitor trends in public and private spending on long-term care costs and spending in Minnesota. The commissioner shall recommend to the legislature any additional data collection activities needed to monitor these trends. State agencies

*collecting information on long-term care spending and costs shall coordinate with the interagency long-term care planning committee and the commissioner to facilitate the monitoring of long-term care expenditures in the state.*

*Subd. 2. [COST SHIFTING.] The commissioner shall monitor the extent to which reimbursement rates for government health care programs lead to the shifting of costs to private payers. The commissioner shall report any evidence of cost shifting to the chairs of the house health and human services committee and human services finance division, and the senate health care committee and health care and family services finance division.*

**Sec. 17. [INSTRUCTION TO REVISOR.]**

*The revisor of statutes shall insert section 62J.04, subdivisions 2, 2a, and 2b, as subdivisions 1, 2, and 3 in section 62J.35, and renumber the other subdivisions of section 62J.35 as subdivisions 4 and 5 of that section in the next and subsequent editions of Minnesota Statutes.*

**Sec. 18. [EFFECTIVE DATE.]**

*Sections 1 to 16 are effective the day following final enactment.*

**ARTICLE 4**

**VOLUNTARY PUBLIC COMMITMENTS**

**Section 1. [62J.50] [PUBLIC COMMITMENTS BY PLANS AND PROVIDERS TO VOLUNTARILY REDUCE COSTS AND PRICES.]**

*Subdivision 1. [ENCOURAGEMENT OF VOLUNTARY PUBLIC COMMITMENTS.] The commissioner of health, in cooperation with the health care commission and the commissioner of commerce, shall encourage group purchasers and providers to make written voluntary public commitments to reduce the rate of increase in their costs and prices by at least ten percent per year below the rate they would otherwise expect to experience. The commissioner, in consultation with the commission, shall establish the procedures, requirements, and deadlines for the submission, publication, and evaluation of public commitments under this section. The commissioner is exempt from the rulemaking requirements of the administrative procedure act for purposes of establishing and administering the public commitment program under this section. The commissioner may develop forms to be executed by a group purchaser or provider willing to make this commitment. The commissioner need not require any particular cost containment methodology.*

*By July 1, 1993, each group purchaser and provider making a voluntary public commitment shall submit to the commissioner the methodology used to determine the projection for the rate of increase in costs and prices for calendar year 1994 over 1993 which is forecast without taking into account the voluntary public commitment. A group purchaser or provider making a voluntary public commitment shall submit any supporting information requested by the commissioner of health.*

*In making a voluntary public commitment, the group purchaser or provider making the commitment must, in writing, attest to the validity of the data supplied, agree to pass the savings achieved by cost and price reductions through to health care consumers, agree not to increase its volume of services to compensate for reductions in costs and prices, agree not to increase copayment or deductible amounts during the time period of the voluntary*

public commitment, and give written permission to allow the commissioner to inspect the group purchaser's or provider's pertinent financial records as necessary to assess the validity of information submitted and to monitor and evaluate compliance with the commitment and to publish the conclusion on compliance.

*Subd. 2. [USE OF FINANCIAL CONSULTANTS.] The commissioner may use financial consultants and actuaries as needed to ensure the accuracy, reliability, and completeness of data submitted under this section.*

*Subd. 3. [REVIEW AND COMMENT.] The commissioner shall publish information on participation by group purchasers and providers in the voluntary cost containment program. The name of a group purchaser or provider that has failed to meet a voluntary public commitment or to provide requested data shall not be released until after the group purchaser or provider has had 15 days to review the data and comment. The commissioner shall include the group purchaser's or provider's comment in the release of data. A decision by the commissioner that a group purchaser or provider has or has not made a voluntary public commitment under this section or has met, exceeded, or failed to meet a voluntary public commitment is a final decision and is not subject to appeal.*

*Subd. 4. [REPORT TO LEGISLATURE.] The commissioner of health, in consultation with the health care commission, shall monitor the voluntary cost, price, and volume control process and report to the legislature by February 15, 1994, on the degree of cooperation with the process, recommendations on whether to extend the voluntary public commitment process, and recommendations for improving the process if it is extended.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment.*

**ARTICLE 5**

**HEALTH PLANNING ADVISORY COMMITTEE**

**Section 1. [16B.24] [STATE NEGOTIATED VOLUME DISCOUNTS.]**

*The commissioner of administration, in cooperation with the commissioner of employee relations, health, and human services, shall establish a drug volume purchasing program under which the state will negotiate volume discounts from drug distributors and manufacturers on behalf of those pharmacies, health carriers, integrated service networks, employers, and other organizations that choose to participate in the program. The purpose of the program is to enable small purchasers to obtain lower prices on drugs as a result of the discounts that can be obtained through large volume purchasing.*

**Sec. 2. Minnesota Statutes 1992, section 62J.03, is amended by adding a subdivision to read:**

*Subd. 9. [SAFETY.] "Safety" means the potential of a technology to cause harm.*

**Sec. 3. Minnesota Statutes 1992, section 62J.15, subdivision 1, is amended to read:**

Subdivision 1. [HEALTH PLANNING ADVISORY COMMITTEE.] The Minnesota health care commission shall convene an advisory committee to make recommendations regarding the use and distribution of new and existing health care technologies and procedures and major capital expenditures by providers. The advisory committee may include members of the state commission and other persons appointed by the commission. The advisory committee must include at least one person representing physicians, at least one person representing hospitals, and at least one person representing the health care technology industry. Health care technologies and procedures include high-cost pharmaceuticals, organ and other high-cost transplants, high-cost drugs, devices, procedures, knowledge, or processes applied to human health care procedures and devices excluding United States Food and Drug Administration approved implantable or wearable medical devices, such as high-cost transplants and expensive, large-scale technologies such as scanners and imagers. *The advisory committee is governed by section 15.0575, subdivision 3, except that members do not receive per diem payments.*

Sec. 4. Minnesota Statutes 1992, section 62J.15, subdivision 2, is amended to read:

Subd. 2. [HEALTH PLANNING.] In consultation with the health planning advisory committee, the Minnesota health care commission shall:

(1) make recommendations on the types of high-cost technologies, procedures, and capital expenditures for which a plan on statewide use and distribution should be made;

(2) ~~develop~~ *adopt* criteria for evaluating new high-cost health care technology and procedures and major capital expenditures that take into consideration the clinical effectiveness, cost-effectiveness, and health outcome;

(3) recommend to the commissioner of health and the regional coordinating ~~organizations~~ *boards* statewide and regional goals and targets for the distribution and use of new and existing high-cost health care technologies and procedures and major capital expenditures;

(4) make recommendations to the commissioner regarding the designation of *referral* centers of ~~excellence~~ for transplants and other specialized medical procedures; and

(5) make recommendations to the commissioner regarding minimum volume requirements for the performance of certain procedures by hospitals and other health care facilities or providers.

Sec. 5. [62J.152] [DUTIES OF HEALTH PLANNING ADVISORY COMMITTEE.]

*Subdivision 1. [GENERALLY.] The health planning advisory committee established in section 62J.15 shall:*

*(1) develop criteria and processes for evaluating health care technology assessments made by other entities;*

*(2) conduct evaluations of specific technology and its specific application;*

*(3) make recommendations to the Minnesota health care commission on the use of specific technologies evaluated; and*

(4) carry out any other duties specifically assigned by the Minnesota health care commission.

*Subd. 2. [PRIORITIES FOR DESIGNATING TECHNOLOGIES FOR ASSESSMENT.] The health planning advisory committee shall consider the following criteria in designating technologies for evaluation:*

- (1) the level of controversy within the medical or scientific community, including questionable or undetermined efficacy;
- (2) the cost implications;
- (3) the potential for rapid diffusion;
- (4) the impact on a substantial patient population;
- (5) the existence of alternative technologies;
- (6) the impact on patient safety and health outcome;
- (7) the public health importance;
- (8) the level of public and professional demand;
- (9) the social, ethical, and legal concerns; and
- (10) the prevalence of the disease or condition.

*The committee may give different weights or attach different importance to each of the criteria, depending on the technology being considered. The committee shall consider any additional criteria approved by the commissioner and the Minnesota health care commission.*

*Subd. 3. [CRITERIA FOR EVALUATING TECHNOLOGY.] In developing the criteria for evaluating specific technologies, the health planning advisory committee shall consider safety, improvement in health outcomes, and the degree to which a technology is clinically effective and cost effective, and other factors. The committee shall consider any additional criteria approved by the commissioner and the Minnesota health care commission.*

*Subd. 4. [TECHNOLOGY EVALUATION PROCESS.] (a) In evaluating a specific technology, the health planning advisory committee shall collect and evaluate studies and research findings on the technologies selected for evaluation from as wide of a range of sources as needed, including, but not limited to: federal agencies or other units of government, international organizations conducting health care technology assessments, health carriers, insurers, manufacturers, professional and trade associations, nonprofit organizations, and academic institutions. The health planning advisory committee may use consultants or experts, and solicit testimony or other input as needed to evaluate a specific technology.*

*(b) When the evaluation process on a specific technology has been completed, the health planning advisory committee shall submit a preliminary report to the information clearinghouse. The preliminary report must include the results of the technology assessment evaluation, studies and research findings considered in conducting the evaluation, and the health planning advisory committee's recommendations regarding the technology. Any interested persons or organizations may submit to the health planning advisory committee written comments regarding the technology evaluation within 30 days from the date the preliminary report was submitted. The health planning*

*advisory committee's final report on its technology evaluation must be submitted to the information clearinghouse. Any written comments received by the health planning advisory committee within the 30-day period must be included with the final report.*

*Subd. 5. [USE OF TECHNOLOGY EVALUATION.] Once the health planning advisory committee has evaluated a specific technology, the final report and any written comments shall be provided to the Minnesota health care commission. The final report on the technology evaluation may also be used:*

*(1) by the commissioner in retrospective and prospective review of major expenditures;*

*(2) by integrated service networks and other group purchasers and by employers, in making coverage, contracting, purchasing, and reimbursement decisions;*

*(3) by government programs and regulators of the regulated all-payer system, in making coverage, contracting, purchasing, and reimbursement decisions;*

*(4) by the commissioner and other organizations in the development of practice parameters;*

*(5) by health care providers in making decisions about adding or replacing technology, and the appropriate use of technology;*

*(6) by consumers in making decisions about treatment;*

*(7) by medical device manufacturers in developing and marketing new technologies; and*

*(8) as otherwise needed by health care providers, health care plans, consumers, and purchasers.*

*Subd. 6. [APPLICATION TO THE REGULATED ALL-PAYER SYSTEM.] The health planning advisory committee shall recommend to the Minnesota health care commission and the commissioner methods to control the diffusion and use of technology within the regulated all-payer system for services provided outside of an integrated service network.*

*Subd. 7. [DATA GATHERING.] In evaluating a specific technology, the health planning advisory committee may seek the use of data collected by manufacturers, health plans, professional and trade associations, nonprofit organizations, academic institutions, or any other organization or association that may have data relevant to the committee's technology evaluation. The health planning advisory committee may request the commissioner to subpoena these entities to release all relevant data to the health planning advisory committee for the sole purpose of technology evaluation. All information obtained under this subdivision shall be considered nonpublic data under section 13.02, subdivision 9, unless the data is already available to the public generally or upon request.*

*Sec. 6. [62J.153] [CONFLICTS OF INTEREST.]*

*No member of the health planning advisory committee may participate or vote in the committee's proceedings involving an individual provider, purchaser or patient, or a specific activity or transaction, if the member has a*

*direct financial interest in the outcome of the committee's proceedings other than as an individual consumer of health care services.*

Sec. 7. [62J.154] [TORT CLAIMS DEFENSE AND INDEMNIFICATION.]

*The health planning advisory committee established under section 62J.15 is included within the definition of "state" in section 3.732, subdivision 1, clause (1). Members of the health planning advisory committee shall be considered "employees of the state" as defined in section 3.732, subdivision 1, clause (2).*

Sec. 8. [62J.156] [CLOSED COMMITTEE HEARINGS.]

*Notwithstanding section 471.705, the health planning advisory committee may meet in closed session to discuss a specific technology or procedure that involves data received under section 62J.152, subdivision 7, that have been classified as nonpublic data, where disclosure of the data would cause harm to the competitive or economic position of the source of the data.*

## ARTICLE 6

### MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 3.732, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the health planning advisory committee, the practice parameter advisory committee, the armory building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. "Employee of the state" includes a public defender appointed by the state board of public defense, and a member of the health planning advisory committee or the practice parameter advisory committee.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 2. Minnesota Statutes 1992, section 60A.02, subdivision 1a, is amended to read:

Subd. 1a. [ASSOCIATION OR ASSOCIATIONS.] (a) "Association" or "associations" means an organized body of people who have some interest in common and that has at the onset a minimum of 100 persons; is organized and maintained in good faith for purposes other than that of obtaining insurance *except as provided in paragraph (c)*; and has a constitution and bylaws which provide that: (1) the association or associations hold regular meetings not less frequently than annually to further purposes of the members; (2) except for credit unions, the association or associations collect dues or solicit contributions from members; (3) the members have voting privileges and representation on the governing board and committees, which provide the members with control of the association including the purchase and administration of insurance products offered to members; and (4) the members are not, within the first 30 days of membership, directly solicited, offered, or sold an insurance policy if the policy is available as an association benefit.

(b) An association may apply to the commissioner for a waiver of the 30-day waiting period ~~to~~ *for* that association. The commissioner may grant the waiver upon a finding of all of the following: (1) the association is in full compliance with this subdivision; (2) sanctions have not been imposed against the association as a result of significant disciplinary action by the commissioner; and (3) at least 80 percent of the association's income comes from dues, contributions, or sources other than income from the sale of insurance *or the association meets all requirements of paragraph (c)*.

(c) *An association may be organized for the sole purpose of obtaining insurance or other health care coverage only if the association is organized by one or more employers, community organizations, local governments, or other entities not engaged in the business of providing health insurance or other health care coverage. No member of the association may be a health carrier as defined in section 62A.011, health plan, integrated service network, or other entity that provides a health plan as defined in section 62A.011 or other health care coverage. Any contract for the purchase of a health plan or other health care coverage must be negotiated at arm's length. The association is subject to this chapter and all other applicable statutes and rules.*

Sec. 3. Minnesota Statutes 1992, section 62C.16, is amended by adding a subdivision to read:

Subd. 4. [RETALIATORY ACTION PROHIBITED.] *No service plan corporation may take retaliatory action against a provider solely on the grounds that the provider disseminated accurate information regarding coverage of benefits or accurate benefit limitations of a subscriber's contract or accurate interpreted provisions of the provider agreement that limit the prescribing, providing, or ordering of care.*



Sec. 4. Minnesota Statutes 1992, section 62J.04, subdivision 3, is amended to read:

Subd. 3. [COST CONTAINMENT DUTIES.] After obtaining the advice and recommendations of the Minnesota health care commission, the commissioner shall:

(1) establish statewide and regional limits on growth in total health care spending under this section, monitor regional and statewide compliance with the spending limits, and take action to achieve compliance to the extent authorized by the legislature;

(2) divide the state into no fewer than four regions, with one of those regions being the Minneapolis/St. Paul metropolitan statistical area *but excluding Chisago, Isanti, and Sherburne counties*, for purposes of fostering the development of regional health planning and coordination of health care delivery among regional health care systems and working to achieve spending limits;

(3) provide technical assistance to regional coordinating boards;

(4) monitor the quality of health care throughout the state, conduct consumer satisfaction surveys, and take action as necessary to ensure an appropriate level of quality;

(5) ~~develop~~ *issue recommendations regarding uniform billing forms, uniform electronic billing procedures and data interchanges, patient identification cards, and other uniform claims and administrative procedures for health care providers by January 1, 1993 and private and public sector payors. In developing the recommendations, the commissioner shall review the work of the work group on electronic data interchange (WEDI) and the American National Standards Institute (ANSI) at the national level, and the work being done at the state and local level. The commissioner may adopt rules requiring the use of the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;*

(6) undertake health planning responsibilities as provided in section 62J.15;

(7) monitor and promote the development and implementation of practice parameters;

(8) authorize, fund, or promote research and experimentation on new technologies and health care procedures;

(9) designate *referral centers of excellence* for specialized and high-cost procedures and treatment and establish minimum standards and requirements for particular procedures or treatment;

(10) *within the limits of appropriations for these purposes, administer or contract for statewide consumer education and wellness programs that will improve the health of Minnesotans and increase individual responsibility relating to personal health and the delivery of health care services, undertake prevention programs including initiatives to improve birth outcomes, expand childhood immunization efforts; and provide start-up grants for worksite wellness programs;*

(11) administer the health care analysis unit under ~~Laws 1992, chapter 549, article 7 sections 62J.30 to 62J.34; and~~

(12) undertake other activities to monitor and oversee the delivery of health care services in Minnesota with the goal of improving affordability, quality, and accessibility of health care for all Minnesotans.

Sec. 5. Minnesota Statutes 1992, section 62J.04, subdivision 4, is amended to read:

Subd. 4. [CONSULTATION WITH THE COMMISSION.] ~~Before~~ *When the law requires the commissioner of health to consult with the Minnesota health care commission when undertaking any of the duties required under this chapter chapters 62J and 62N, the commissioner of health shall consult with the Minnesota health care commission and obtain the commission's advice and recommendations. If the commissioner intends to depart from the commission's recommendations, the commissioner shall inform the commission of the intended departure, provide a written explanation of the reasons for the departure, and give the commission an opportunity to comment on the intended departure. If, after receiving the commission's comment, the commissioner still intends to depart from the commission's recommendations, the commissioner shall notify each member of the legislative oversight commission on health care access of the commissioner's intent to depart from the recommendations of the Minnesota health care commission. The notice to the legislative oversight commission must be provided at least ten days before the commissioner takes final action. If emergency action is necessary that does not allow the commissioner to obtain the advice and recommendations of the Minnesota health care commission or to provide advance notice and an opportunity for comment as required in this subdivision, the commissioner shall provide a written notice and explanation to the Minnesota health care commission and the legislative oversight commission at the earliest possible time.*

Sec. 6. [62J.211] [SMALL GROUP PURCHASING POOLS.]

*Subdivision 1. [DEFINITION.] For purposes of this section, "purchasing pool" means a group, however organized, of purchasers of health coverage, including purchasers of health plans as defined in section 62A.011, subdivision 3, coverage by integrated service networks, or services in connection with self-insured plans.*

*Subd. 2. [ASSISTANCE TO PRIVATE PURCHASING POOLS.] The commissioners of health and commerce shall encourage the formation of private small group purchasing pools to enable small groups to benefit from the market advantages and efficiencies of large purchasing groups. Within the limits of appropriations provided for this purpose, the commissioner of health, in consultation with the commissioner of commerce, may provide loans for start-up costs and reserves to assist new purchasing pools.*

*Subd. 3. [REGIONAL PURCHASING POOLS.] Regional coordinating boards may sponsor the formation of regional purchasing pools to enable small groups in the region to purchase health coverage as a large group. Regional purchasing pools are eligible for assistance and start-up loans under subdivision 2.*

Sec. 7. [62J.212] [COLLABORATION ON PUBLIC HEALTH GOALS.]

*The commissioner of health shall encourage integrated service networks and other private organizations to collaborate with public health agencies to achieve community-wide and regional public health goals. The commissioner*

*may increase regional spending limits if public health goals for that region are achieved. Within the limits of appropriations provided for this purpose, the commissioner of health may provide grants to integrated service networks and other private organizations or adopt spending limits to collaborate with public health agencies in implementing wellness programs and other initiatives to improve public health outcomes.*

Sec. 8. Minnesota Statutes 1992, section 62J.34, subdivision 3, is amended to read:

Subd. 3. [MEDICAL MALPRACTICE CASES.] (a) In an action against a provider for malpractice, error, mistake, or failure to cure, whether based in contract or tort, adherence to a *pertinent* practice parameter approved by the commissioner of health under subdivision 2 is an absolute defense against an allegation that the provider did not comply with accepted standards of practice in the community.

(b) Evidence of a departure from a practice parameter is *not* admissible ~~only~~ *unless the issue of whether the provider is entitled to an claiming the absolute defense under paragraph (a).*

(c) Paragraphs (a) and (b) apply to claims arising on or after August 1, 1993, or 90 days after the date the commissioner approves the applicable practice parameter, whichever is later.

(d) Nothing in this section changes the ~~standard of plaintiff's burden of proof in a civil action alleging a delay in diagnosis, a misdiagnosis, inappropriate application of a practice parameter, failure to obtain informed consent, battery or other intentional tort, breach of contract, or product liability against a provider or creates a new basis upon which to establish liability against a provider.~~

Sec. 9. [REQUESTS FOR FEDERAL ACTION.]

*The commissioner of health shall seek changes in or waivers from federal statutes or regulations as necessary to implement the provisions of this act. The commissioner of human services shall request and diligently pursue waivers from the federal laws relating to health coverages provided under the medical assistance and Medicare programs, so as to permit the state to provide medical assistance benefits through integrated service networks and permit Medicare to be provided in Minnesota through integrated service networks.*

Sec. 10. [INSTRUCTION TO REVISOR.]

*The revisor of statutes shall change the words "centers of excellence" to "referral centers" wherever they appear in chapters 62D and 62J in the next and subsequent editions of Minnesota Statutes and Minnesota Rules, parts 4685.0100 to 4685.3400.*

Sec. 11. [EFFECTIVE DATE.]

*Section 3 is effective the day following final enactment.*

## ARTICLE 7

### COST CONTAINMENT AMENDMENTS

Section 1. Minnesota Statutes 1992, section 62J.03, subdivision 8, is amended to read:

Subd. 8. [PROVIDER OR HEALTH CARE PROVIDER.] "Provider" or "health care provider" means a person or organization other than a nursing home that provides health care or medical care services within Minnesota for a fee, as further defined in rules adopted by the commissioner, and is eligible for reimbursement under the medical assistance program under chapter 256B. For purposes of this subdivision, "for a fee" includes traditional fee-for-service arrangements, capitation arrangements, and any other arrangement in which a provider receives compensation for providing health care services or has the authority to directly bill a group purchaser, health carrier, or individual for providing health care services. For purposes of this subdivision, "eligible for reimbursement under the medical assistance program" means that the provider's services would be reimbursed by the medical assistance program if the services were provided to medical assistance enrollees and the provider sought reimbursement, or that the services would be eligible for reimbursement under medical assistance except that those services are characterized as experimental, cosmetic, or voluntary.

Sec. 2. Minnesota Statutes 1992, section 62J.04, subdivision 5, is amended to read:

Subd. 5. [APPEALS.] A person or organization aggrieved may appeal a decision of the commissioner under sections 62J.17 and 62J.23 through a contested case proceeding governed under chapter 14. The appeal must be brought within 30 days of receiving notice of the commissioner's decision.

Sec. 3. Minnesota Statutes 1992, section 62J.04, subdivision 7, is amended to read:

Subd. 7. [PLAN FOR CONTROLLING GROWTH IN SPENDING.] (a) By January 15, 1993, the Minnesota health care commission shall submit to the legislature and the governor for approval a plan, with as much detail as possible, for slowing the growth in health care spending to the growth rate identified by the commission, beginning July 1, 1993. The goal of the plan shall be to reduce the growth rate of health care spending, adjusted for population changes, so that it declines by at least ten percent per year for each of the next five years. The commission shall use the rate of spending growth in 1991 as the base year for developing its plan. The plan may include tentative targets for reducing the growth in spending for consideration by the legislature.

(b) In developing the plan, the commission shall consider the advisability and feasibility of the following options, but is not obligated to incorporate them into the plan:

(1) data and methods that could be used to calculate regional and statewide spending limits and the various options for expressing spending limits, such as maximum percentage growth rates or actuarially adjusted average per capita rates that reflect the demographics of the state or a region of the state;

(2) methods of adjusting spending limits to account for patients who are not Minnesota residents, to reflect care provided to a person outside the person's region, and to adjust for demographic changes over time;

(3) methods that could be used to monitor compliance with the limits;

(4) criteria for exempting spending on research and experimentation on new technologies and medical practices when setting or enforcing spending limits;

(5) methods that could be used to help providers, purchasers, consumers, and communities control spending growth;

(6) methods of identifying activities of consumers, providers, or purchasers that contribute to excessive growth in spending;

(7) methods of encouraging voluntary activities that will help keep spending within the limits;

(8) methods of consulting providers and obtaining their assistance and cooperation and safeguards that are necessary to protect providers from abrupt changes in revenues or practice requirements;

(9) methods of avoiding, preventing, or recovering spending in excess of the rate of growth identified by the commission;

(10) methods of depriving those who benefit financially from overspending of the benefit of overspending, including the option of recovering the amount of the excess spending from the greater provider community or from individual providers or groups of providers through targeted assessments;

(11) methods of reallocating health care resources among provider groups to correct existing inequities, reward desirable provider activities, discourage undesirable activities, or improve the quality, affordability, and accessibility of health care services;

(12) methods of imposing mandatory requirements relating to the delivery of health care, such as practice parameters, hospital admission protocols, 24-hour emergency care screening systems, or designated specialty providers;

(13) methods of preventing unfair health care practices that give a provider or group purchaser an unfair advantage or financial benefit or that significantly circumvent, subvert, or obstruct the goals of this chapter;

(14) methods of providing incentives through special spending allowances or other means to encourage and reward special projects to improve outcomes or quality of care; and

(15) the advisability or feasibility of a system of permanent, regional coordinating boards to ensure community involvement in activities to improve affordability, accessibility, and quality of health care in each region.

Sec. 4. Minnesota Statutes 1992, section 62J.09, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) [NUMBER OF MEMBERS.] Each regional ~~health care management~~ *coordinating* board consists of ~~16~~ *17* members as provided in this subdivision. A member may designate a representative to act as a member of the commission in the member's absence. *The governor shall appoint the chair of each regional board from among its members.*

(b) [PROVIDER REPRESENTATIVES.] Each regional board must include four members representing health care providers who practice in the region. One member is appointed by the Minnesota Medical Association. One member is appointed by the Minnesota Hospital Association. One member is appointed by the Minnesota Nurses' Association. The remaining member is appointed by the governor to represent providers other than physicians, hospitals, and nurses.

(c) [HEALTH PLAN COMPANY REPRESENTATIVES.] Each regional board includes ~~three~~ four members representing health plan companies who provide coverage for residents of the region, including one member representing health insurers who is elected by a vote of all health insurers providing coverage in the region, one member elected by a vote of all health maintenance organizations providing coverage in the region, and one member appointed by Blue Cross and Blue Shield of Minnesota. The fourth member is appointed by the governor.

(d) [EMPLOYER REPRESENTATIVES.] Regional boards include three members representing employers in the region. Employer representatives are elected by a vote of the employers who are members of chambers of commerce in the region. At least one member must represent self-insured employers.

(e) [EMPLOYEE UNIONS.] Regional boards include one member appointed by the AFL-CIO Minnesota who is a union member residing or working in the region or who is a representative of a union that is active in the region.

(f) [PUBLIC MEMBERS.] Regional boards include three consumer members. One consumer member is elected by the community health boards in the region, with each community health board having one vote. One consumer member is elected by the state legislators with districts in the region. One consumer member is appointed by the governor.

(g) [COUNTY COMMISSIONER.] Regional boards include one member who is a county board member. The county board member is elected by a vote of all of the county board members in the region, with each county board having one vote.

(h) [STATE AGENCY.] Regional boards include one state agency commissioner appointed by the governor to represent state health coverage programs.

Sec. 5. Minnesota Statutes 1992, section 62J.09, subdivision 5, is amended to read:

Subd. 5. [CONFLICTS OF INTEREST.] No member may ~~participate or~~ vote in *regional coordinating* board proceedings involving an individual provider, purchaser, or patient, or a specific activity or transaction, if the member has a direct financial interest in the outcome of the *regional coordinating* board's proceedings other than as an individual consumer of health care services. *A member with a direct financial interest may participate in the proceedings, without voting, provided that the member discloses any direct financial interest to the regional coordinating board at the beginning of the proceedings.*

Sec. 6. Minnesota Statutes 1992, section 62J.09, subdivision 8, is amended to read:

Subd. 8. [REPEALER.] This section is repealed effective July 1, 1993 1996.

Sec. 7. Minnesota Statutes 1992, section 62J.17, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given.

(a) [ACCESS.] "Access" has the meaning given in section 62J.2912, subdivision 2.

(b) [CAPITAL EXPENDITURE.] "Capital expenditure" means an expenditure which, under generally accepted accounting principles, is not properly chargeable as an expense of operation and maintenance.

(c) [COST.] "Cost" means the amount paid by consumers or third party payors for health care services or products.

(d) [DATE OF THE MAJOR SPENDING COMMITMENT.] "Date of the major spending commitment" means the date the provider formally obligated itself to the major spending commitment. The obligation may be incurred by entering into a contract, making a down payment, issuing bonds or entering a loan agreement to provide financing for the major spending commitment, or taking some other formal, tangible action evidencing the provider's intention to make the major spending commitment.

(b) (e) [HEALTH CARE SERVICE.] "Health care service" means:

(1) a service or item that would be covered by the medical assistance program under chapter 256B if provided in accordance with medical assistance requirements to an eligible medical assistance recipient; and

(2) a service or item that would be covered by medical assistance except that it is characterized as experimental, cosmetic, or voluntary.

"Health care service" does not include retail, over-the-counter sales of nonprescription drugs and other retail sales of health-related products that are not generally paid for by medical assistance and other third-party coverage.

(e) (f) [MAJOR SPENDING COMMITMENT.] "Major spending commitment" means:

(1) acquisition of a unit of medical equipment;

(2) a capital expenditure for a single project for the purposes of providing health care services, other than for the acquisition of medical equipment;

(3) offering a new specialized service not offered before;

(4) planning for an activity that would qualify as a major spending commitment under this paragraph; or

(5) a project involving a combination of two or more of the activities in clauses (1) to (4).

The cost of acquisition of medical equipment, and the amount of a capital expenditure, is the total cost to the provider regardless of whether the cost is distributed over time through a lease arrangement or other financing or payment mechanism.

(d) (g) [MEDICAL EQUIPMENT.] "Medical equipment" means fixed and movable equipment that is used by a provider in the provision of a health care service. "Medical equipment" includes, but is not limited to, the following:

(1) an extracorporeal shock wave lithotripter;

(2) a computerized axial tomography (CAT) scanner;

(3) a magnetic resonance imaging (MRI) unit;

- (4) a positron emission tomography (PET) scanner; and
- (5) emergency and nonemergency medical transportation equipment and vehicles.

(e) (h) [NEW SPECIALIZED SERVICE.] "New specialized service" means a specialized health care procedure or treatment regimen offered by a provider that was not previously offered by the provider, including, but not limited to:

- (1) cardiac catheterization services involving high-risk patients as defined in the Guidelines for Coronary Angiography established by the American Heart Association and the American College of Cardiology;
- (2) heart, heart-lung, liver, kidney, bowel, or pancreas transplantation service, or any other service for transplantation of any other organ;
- (3) megavoltage radiation therapy;
- (4) open heart surgery;
- (5) neonatal intensive care services; and
- (6) any new medical technology for which premarket approval has been granted by the United States Food and Drug Administration, excluding implantable and wearable devices.

(f) [PROVIDER.] "Provider" means an individual, corporation, association, firm, partnership, or other entity that is regularly engaged in providing health care services in Minnesota.

Sec. 8. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

*Subd. 4a. [EXPENDITURE REPORTING.] (a) [GENERAL REQUIREMENT.] A provider making a major spending commitment after April 1, 1992, that is in excess of \$500,000 shall submit notification of the expenditure to the commissioner and provide the commissioner with any relevant background information.*

*(b) [REPORT.] Notification must include a report, submitted within 60 days after the date of the major spending commitment, using terms conforming to the definitions in section 62J.03 and this section. Each report is subject to retrospective review and must contain:*

- (1) a detailed description of the major spending commitment and its purpose;*
- (2) the date of the major spending commitment;*
- (3) a statement of the expected impact that the major spending commitment will have on charges by the provider to patients and third party payors;*
- (4) a statement of the expected impact on the clinical effectiveness or quality of care received by the patients that the provider expects to serve;*
- (5) a statement of the extent to which equivalent services or technology are already available to the provider's actual and potential patient population;*
- (6) a statement of the distance from which the nearest equivalent services*



or technology are already available to the provider's actual and potential population;

(7) a statement describing the pursuit of any lawful collaborative arrangements; and

(8) a statement of assurance that the provider will not use, purchase, or perform health care technologies and procedures that are not clinically effective and cost-effective, unless the technology is used for experimental or research purposes to determine whether a technology or procedure is clinically effective and cost-effective.

The provider may submit any additional information that it deems relevant.

(c) [ADDITIONAL INFORMATION.] The commissioner may request additional information from a provider for the purpose of review of a report submitted by that provider, and may consider relevant information from other sources. A provider shall provide any information requested by the commissioner within the time period stated in the request, or within 30 days after the date of the request if the request does not state a time.

(d) [FAILURE TO COMPLY.] If the provider fails to submit a complete and timely expenditure report, including any additional information requested by the commissioner, the commissioner may make the provider's subsequent major spending commitments subject to the procedures of prospective review and approval under subdivision 6a.

Sec. 9. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

Subd. 5a. [RETROSPECTIVE REVIEW.] (a) The commissioner shall retrospectively review each major spending commitment and notify the provider of the results of the review. The commissioner shall determine whether the major spending commitment was appropriate. In making the determination, the commissioner may consider the following criteria: the major spending commitment's impact on the cost, access, and quality of health care; the clinical effectiveness and cost-effectiveness of the major spending commitment; and the alternatives available to the provider.

(b) The commissioner may not prevent or prohibit a major spending commitment subject to retrospective review. However, if the provider fails the retrospective review, any major spending commitments by that provider for the five-year period following the commissioner's decision are subject to prospective review under subdivision 6a.

Sec. 10. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

Subd. 6a. [PROSPECTIVE REVIEW AND APPROVAL.] (a) [REQUIREMENT.] No health care provider subject to prospective review under this subdivision shall make a major spending commitment unless:

(1) the provider has filed an application with the commissioner to proceed with the major spending commitment and has provided all supporting documentation and evidence requested by the commissioner; and

(2) the commissioner determines, based upon this documentation and evidence, that the major spending commitment is appropriate under the

criteria provided in subdivision 5a in light of the alternatives available to the provider.

(b) [APPLICATION.] A provider subject to prospective review and approval shall submit an application to the commissioner before proceeding with any major spending commitment. The application must address each item listed in subdivision 4a, paragraph (a), and must also include documentation to support the response to each item. The provider may submit information, with supporting documentation, regarding why the major spending commitment should be excepted from prospective review under paragraph (d). The submission may be made either in addition to or instead of the submission of information relating to the items listed in subdivision 4a, paragraph (a).

(c) [REVIEW.] The commissioner shall determine, based upon the information submitted, whether the major spending commitment is appropriate under the criteria provided in subdivision 5a, or whether it should be excepted from prospective review under paragraph (d). In making this determination, the commissioner may also consider relevant information from other sources. At the request of the commissioner, the Minnesota health care commission shall convene an expert review panel made up of persons with knowledge and expertise regarding medical equipment, specialized services, health care expenditures, and capital expenditures to review applications and make recommendations to the commissioner. The commissioner shall make a decision on the application within 60 days after an application is received.

(d) [EXCEPTIONS.] The prospective review and approval process does not apply to:

(1) a major spending commitment to replace existing equipment with comparable equipment, if the old equipment will no longer be used in the state;

(2) a major spending commitment made by a research and teaching institution for purposes of conducting medical education, medical research supported or sponsored by a medical school or by a federal or foundation grant, or clinical trials;

(3) a major spending commitment to repair, remodel, or replace existing buildings or fixtures if, in the judgment of the commissioner, the project does not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided; and

(4) mergers, acquisitions, and other changes in ownership or control that, in the judgment of the commissioner, do not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided.

(e) [NOTIFICATION REQUIRED FOR EXCEPTED MAJOR SPENDING COMMITMENT.] A provider making a major spending commitment covered by paragraph (d) shall provide notification of the major spending commitment as provided under subdivision 4a.

(f) [PENALTIES AND REMEDIES.] The commissioner of health has the authority to issue fines, seek injunctions, and pursue other remedies as provided by law.

Sec. 11. Minnesota Statutes 1992, section 62J.23, is amended by adding a subdivision to read:

*Subd. 4. [INTEGRATED SERVICE NETWORKS.] (a) The legislature finds that the formation and operation of integrated service networks will accomplish the purpose of the federal Medicare antikickback statute, which is to reduce the overutilization and overcharging that may result from inappropriate provider incentives. Accordingly, it is the public policy of the state of Minnesota to support the development of integrated service networks. The legislature finds that the federal Medicare antikickback laws should not be interpreted to interfere with the development of integrated service networks or to impose liability for arrangements between an integrated service network and its participating entities.*

*(b) An arrangement between an integrated service network and any or all of its participating entities is not subject to liability under subdivisions 1 and 2.*

**Sec. 12. [62J.2911] [ANTITRUST EXCEPTIONS; PURPOSE.]**

*The legislature finds that the goals of controlling health care costs and improving the quality of and access to health care services will be significantly enhanced by cooperative arrangements involving providers or purchasers that might be prohibited by state and federal antitrust laws if undertaken without governmental involvement. The purpose of sections 62J.2911 to 62J.2921 is to create an opportunity for the state to review proposed arrangements and to substitute regulation for competition when an arrangement is likely to result in lower costs, or greater access or quality, than would otherwise occur in the marketplace. The legislature intends that approval of arrangements be accompanied by appropriate conditions, supervision, and regulation to protect against private abuses of economic power, and that an arrangement approved, supervised, and regulated by the commissioner shall not be subject to state and federal antitrust liability.*

**Sec. 13. [62J.2912] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] For purposes of sections 62J.2911 to 62J.2921, the terms defined in this section have the meanings given them.*

*Subd. 2. [ACCESS.] "Access" means the financial, temporal, and geographic availability of health care to individuals who need it.*

*Subd. 3. [APPLICANT.] "Applicant" means the party or parties to an agreement or business arrangement for which the commissioner's approval is sought under this section.*

*Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of health.*

*Subd. 5. [CONTESTED CASE.] "Contested case" means a proceeding conducted by the office of administrative hearings under sections 14.57 to 14.62.*

*Subd. 6. [COST OR COST OF HEALTH CARE.] "Cost" or "cost of health care" means the amount paid by consumers or third party payors for health care services or products.*

*Subd. 7. [CRITERIA.] "Criteria" means the cost, access, and quality of health care.*

*Subd. 8. [HEALTH CARE PRODUCTS.] "Health care products" means*

durable medical equipment and "medical equipment" as defined in section 62J.17, subdivision 2, paragraph (g).

Subd. 9. [HEALTH CARE SERVICE.] "Health care service" has the meaning given in section 62J.17, subdivision 2, paragraph (e).

Subd. 10. [PERSON.] "Person" means an individual or legal entity.

Sec. 14. [62J.2913] [SCOPE.]

Subdivision 1. [AVAILABILITY OF EXCEPTION.] Providers or purchasers wishing to engage in contracts, business or financial arrangements, or other activities, practices, or arrangements that might be construed to be violations of state or federal antitrust laws but which are in the best interests of the state and further the policies and goals of this chapter may apply to the commissioner for an exception.

Subd. 2. [STATE ANTITRUST LAW.] Approval by the commissioner is an absolute defense against any action under state and federal antitrust laws, except as provided under section 62J.2921, subdivision 5.

Subd. 3. [APPLICATION CANNOT BE USED TO IMPOSE LIABILITY.] The commissioner may ask the attorney general to comment on an application. The application and any information obtained by the commissioner under sections 62J.2914 to 62J.2916 that is not otherwise available is not admissible in any civil or criminal proceeding brought by the attorney general or any other person based on an antitrust claim, except (1) a proceeding brought under section 62J.2921, subdivision 5, based on an applicant's failure to substantially comply with the terms of the application; or (2) a proceeding based on actions taken by the applicant prior to submitting the application, where such actions are admitted to in the application.

Subd. 4. [OUT-OF-STATE APPLICANTS.] Providers or purchasers not physically located in Minnesota are eligible to seek an exception for arrangements in which they transact business in Minnesota as defined in section 295.51.

Sec. 15. [62J.2914] [APPLICATION.]

Subdivision 1. [DISCLOSURE.] An application for approval must include, to the extent applicable, disclosure of the following:

- (1) a descriptive title;
- (2) a table of contents;
- (3) exact names of each party to the application and the address of the principal business office of each party;
- (4) the name, address, and telephone number of the persons authorized to receive notices and communications with respect to the application;
- (5) a verified statement by a responsible officer of each party to the application attesting to the accuracy and completeness of the enclosed information;
- (6) background information relating to the proposed arrangement, including:
  - (i) a description of the proposed arrangement, including a list of any services or products that are the subject of the proposed arrangement;

(ii) an identification of any tangential services or products associated with the services or products that are the subject of the proposed arrangement;

(iii) a description of the geographic territory involved in the proposed arrangement;

(iv) if the geographic territory described in item (iii), is different from the territory in which the applicants have engaged in the type of business at issue over the last five years, a description of how and why the geographic territory differs;

(v) identification of all products or services that a substantial share of consumers would consider substitutes for any service or product that is the subject of the proposed arrangement;

(vi) identification of whether any services or products of the proposed arrangement are currently being offered, capable of being offered, utilized, or capable of being utilized by other providers or purchasers in the geographic territory described in item (iii);

(vii) identification of the steps necessary, under current market and regulatory conditions, for other parties to enter the territory described in item (iii) and compete with the applicant;

(viii) a description of the previous history of dealings between the parties to the application;

(ix) a detailed explanation of the projected effects, including expected volume, change in price, and increased revenue, of the arrangement on each party's current businesses, both generally as well as the aspects of the business directly involved in the proposed arrangement;

(x) the present market share of the parties to the application and of others affected by the proposed arrangement, and projected market shares after implementation of the proposed arrangement;

(xi) a statement of why the projected levels of cost, access, or quality could not be achieved in the existing market without the proposed arrangement; and

(xii) an explanation of how the arrangement relates to any Minnesota health care commission or applicable regional coordinating board plans for delivery of health care; and

(7) a detailed explanation of how the transaction will affect cost, access, and quality. The explanation must address the factors in section 62J.2917, subdivision 2, paragraphs (b) to (d), to the extent applicable.

*Subd. 2. [STATE REGISTER NOTICE.] In addition to the disclosures required in subdivision 1, the application must contain a written description of the proposed arrangement for purposes of publication in the State Register. The notice must include sufficient information to advise the public of the nature of the proposed arrangement, and to enable the public to provide meaningful comments concerning the expected results of the arrangement. The notice must also state that any person may provide written comments to the commissioner, with a copy to the applicant, within 20 days of the notice's publication. The commissioner shall approve the notice before publication. If the commissioner determines that the submitted notice does not provide sufficient information, the commissioner may amend the notice before publication and may consult with the applicant in preparing the amended*

*notice. The commissioner shall not publish an amended notice without the applicant's approval.*

**Subd. 3. [MULTIPLE PARTIES TO A PROPOSED ARRANGEMENT.]** *For a proposed arrangement involving multiple parties, one joint application must be submitted on behalf of all parties to the arrangement.*

**Subd. 4. [FILING FEE.]** *An application must be accompanied by a filing fee of \$....., which must be deposited in the health care access fund. The total of the deposited application fees is appropriated annually to the commissioner to administer the antitrust exceptions program.*

**Subd. 5. [TRADE SECRET INFORMATION; PROTECTION.]** *Trade secret information, as defined in section 13.37, subdivision 1, paragraph (b), must be protected to the extent required under chapter 13.*

**Subd. 6. [COMMISSIONER'S AUTHORITY TO REFUSE TO REVIEW.]**  
*(a) If the commissioner determines that an application is unclear, incomplete, or provides an insufficient basis on which to base a decision, the commissioner may return the application. The applicant may complete or revise the application and resubmit it.*

*(b) If, upon review of the application and upon advice from the attorney general, the commissioner concludes that the proposed arrangement does not present any potential for liability under the state or federal antitrust laws, the commissioner may decline to review the application, and so notify the applicant.*

*(c) The commissioner may decline to review any application relating to arrangements already in effect before the submission of the application. However, the commissioner shall review any application if the review is expressly provided for in a settlement agreement entered into before the enactment of this section by the applicant and the attorney general.*

**Subd. 7. [COMMISSIONER'S AUTHORITY TO EXTENDED TIME LIMITS.]** *The commissioner may extend any of the time limits stated in sections 62J.2915 and 62J.2916 at the request of the applicant or another person, but may not grant an extension unless good cause is shown.*

**Sec. 16. [62J.2915] [NOTICE AND COMMENT.]**

**Subdivision 1. [NOTICE.]** *The commissioner shall cause the notice described in section 62J.2914, subdivision 2, to be published in the State Register, and sent to the Minnesota health care commission, the regional coordinating boards for any regions that include all or part of the territory covered by the proposed arrangement and any person who has requested to be placed on a list to receive notice of applications. The commissioner may maintain separate notice lists for different regions of the state. The commissioner may also send a copy of the notice to any person together with a request that the person comment as provided under subdivision 2. Copies of the request must be provided to the applicant.*

**Subd. 2. [COMMENTS.]** *Within 20 days after the notice is published, any person may mail to the commissioner written comments with respect to the application. Within 30 days after the notice is published, the health care commission or any regional coordinating board may mail comments with respect to the application. Persons submitting comments shall provide a copy of the comments to the applicant. The applicant may mail to the commissioner*

written responses to comments within ten days after the deadline for mailing such comments. The applicant shall send a copy of the response to the person submitting the comment.

Sec. 17. [62J.2916] [PROCEDURE FOR REVIEW OF APPLICATIONS.]

*Subdivision 1. [CHOICE OF PROCEDURES.] After the conclusion of the period provided in section 62J.2915, subdivision 2, for the applicant to respond to comments, the commissioner shall select one of the three procedures provided in subdivision 2. In determining which procedure to use, the commissioner shall consider the following criteria:*

- (1) the size of the proposed arrangement, in terms of number of parties and amount of money involved;*
- (2) the complexity of the proposed arrangement;*
- (3) the novelty of the proposed arrangement;*
- (4) the substance and quantity of the comments received;*
- (5) any comments received from the Minnesota health care commission or regional coordinating boards; and*
- (6) the presence or absence of any significant gaps in the factual record.*

*If the applicant demands a contested case hearing no later than the conclusion of the period provided in section 62J.2915, subdivision 2, for the applicant to respond to comments, the commissioner shall not select a procedure. Instead, the applicant shall be given a contested case proceeding as a matter of right.*

*Subd. 2. [PROCEDURES AVAILABLE.] (a) [DECISION ON THE WRITTEN RECORD.] The commissioner may issue a decision based on the application, the comments and the applicant's responses to the comments, to the extent each is relevant. In making the decision, the commissioner may consult with staff of the department of health and may rely on department of health data.*

*(b) [LIMITED HEARING.] (1) The commissioner may order a limited hearing. A copy of the order must be mailed to the applicant and to all persons who have submitted comments or requested to be kept informed of the proceedings involving the application. The order must state the date, time, and location of the limited hearing, and must identify specific issues to be addressed at the limited hearing. The issues may include the feasibility and desirability of one or more alternatives to the proposed arrangement. The order must require the applicant to submit written evidence, in the form of affidavits and supporting documents, addressing the issues identified, within 20 days after the date of the order. The order shall also state that any person may arrange to receive a copy of the written evidence from the commissioner, at the person's expense, and may provide written comments on the evidence within 40 days after the date of the order. A person providing written comments shall provide a copy of the comments to the applicant.*

*(2) The limited hearing must be held before the commissioner or department of health staff member designated by the commissioner. The commissioner or the commissioner's designee shall question the applicant about the evidence submitted by the applicant. The questions may address relevant issues identified in the comments submitted in response to the written evidence, or*

identified by department of health staff or brought to light by department of health data. At the conclusion of the applicant's responses to the questions, any person who submitted comments about the applicant's written evidence may make a statement addressing the applicant's responses to the questions. The commissioner or the commissioner's designee may ask questions of any person making a statement. At the conclusion of all statements, the applicant may make a closing statement.

(3) The commissioner's decision after a limited hearing must be based upon the application, the comments, the applicant's response to the comments, the applicant's written evidence, the comments in response to the written evidence, and the information presented at the limited hearing, to the extent each is relevant. In making the decision, the commissioner may consult with staff of the department of health and may rely on department of health data.

(c) [CONTESTED CASE HEARING.] The commissioner may order a contested case hearing. A contested case hearing shall be tried before an administrative law judge who shall issue a written recommendation to the commissioner, and shall follow the procedures in sections 14.57 to 14.62. All factual issues relevant to a decision must be presented in the contested case. The attorney general may appear as a party. Additional parties may appear to the extent permitted under sections 14.57 to 14.62. The record in the contested case includes the application, the comments, the applicant's response to the comments, and any other evidence that is part of the record under sections 14.57 to 14.62.

#### Sec. 18. [62J.2917] [CRITERIA FOR DECISION.]

Subdivision 1. [CRITERIA.] The commissioner shall not approve an application unless the commissioner determines that the arrangement is more likely to result in lower costs, increased access, or increased quality of health care, than would otherwise occur under existing market conditions or conditions likely to develop without an exemption from state and federal antitrust law. In the event that a proposed arrangement appears likely to improve one or two of the criteria at the expense of another one or two of the criteria, the commissioner shall not approve the application unless the commissioner determines that the proposed arrangement, taken as a whole, is likely to substantially further the purpose of this chapter. In making such a determination, the commissioner may employ a cost/benefit analysis.

Subd. 2. [FACTORS.] (a) [GENERALLY APPLICABLE FACTORS.] In making a determination about cost, access, and quality, the commissioner may consider the following factors, to the extent relevant:

(1) whether the proposal is compatible with the cost containment plan or other plan of the Minnesota health care commission or the applicable regional plans of the regional coordinating boards;

(2) market structure:

(i) actual and potential sellers and buyers, or providers and purchasers;

(ii) actual and potential consumers;

(iii) geographic market area; and

(iv) entry conditions;

(3) current market conditions;



- (4) *the historical behavior of the market;*
- (5) *performance of other, similar arrangements;*
- (6) *whether the proposal unnecessarily restrains competition, or restrains competition in ways not reasonably related to the purposes of this chapter; and*

(7) *the financial condition of the applicant.*

(b) [COST.] *The commissioner's analysis of cost must focus on the individual consumer of health care. Cost savings to be realized by providers, health carriers, group purchasers, or other participants in the health care system are relevant only to the extent that the savings are likely to be passed on to the consumer. However, where an application is submitted by providers or purchasers who are paid primarily by third party payors unaffiliated with the applicant, it is sufficient for the applicant to show that cost savings are likely to be passed on to the unaffiliated third party payors; the applicants do not have the burden of proving that third party payors with whom the applicants are not affiliated will pass on cost savings to individuals receiving coverage through the third party payors. In making determinations as to costs, the commissioner may consider:*

- (1) *the cost savings likely to result to the applicant;*
- (2) *the extent to which the cost savings are likely to be passed on to the consumer and in what form;*
- (3) *the extent to which the proposed arrangement is likely to result in cost shifting by the applicant onto other payors or purchasers of other products or services;*
- (4) *the extent to which the cost shifting by the applicant is likely to be followed by other persons in the market;*
- (5) *the current and anticipated supply and demand for any products or services at issue;*
- (6) *the representations and guarantees of the applicant, and their enforceability;*
- (7) *likely effectiveness of regulation by the commissioner;*
- (8) *inferences to be drawn from market structure;*
- (9) *the cost of regulation, both for the state and for the applicant; and*
- (10) *any other factors tending to show that the proposed arrangement is or is not likely to reduce cost.*

(c) [ACCESS.] *In making determinations as to access, the commissioner may consider:*

(1) *the extent to which the utilization of needed health care services or products by the intended targeted population is likely to increase or decrease. When a proposed arrangement is likely to increase access in one geographic area, by lowering prices or otherwise expanding supply, but limits access in another geographic area by removing service capabilities from that second area, the commissioner shall articulate the criteria employed to balance these effects;*

(2) the extent to which the proposed arrangement is likely to make available a new and needed service or product to a certain geographic area; and

(3) the extent to which the proposed arrangement is likely to otherwise make health care services or products more financially or geographically available to persons who need them.

If the commissioner determines that the proposed arrangement is likely to increase access and bases that determination on a projected increase in utilization, the commissioner shall also determine and make a specific finding that the increased access is not due to overutilization of the product or service for which access is expanded.

(d) [QUALITY.] In making determinations as to quality, the commissioner may consider the extent to which the proposed arrangement is likely to:

(1) decrease morbidity and mortality;

(2) result in faster convalescence;

(3) result in fewer hospital days;

(4) permit providers to attain needed experience or frequency of treatment, likely to lead to better outcomes;

(5) increase patient satisfaction; and

(6) have any other features likely to improve or reduce the quality of health care.

#### Sec. 19. [62J.2918] [DECISION.]

Subdivision 1. [APPROVAL OR DISAPPROVAL.] The commissioner shall issue a written decision approving or disapproving the application. The commissioner may condition approval on a modification of all or part of the proposed arrangement to eliminate any restriction on competition that is not reasonably related to the goals of reducing cost or improving access or quality. The commissioner may also establish conditions for approval that are reasonably necessary to protect against abuses of private economic power and to ensure that the arrangement is appropriately supervised and regulated by the state.

Subd. 2. [FINDINGS OF FACT.] The commissioner's decision shall make specific findings of fact concerning the cost, access, and quality criteria, and identify one or more of those criteria as the basis for the decision.

Subd. 3. [DATA FOR SUPERVISION.] A decision approving an application must require the periodic submission of specific data relating to cost, access, and quality, and to the extent feasible, identify objective standards of cost, access, and quality by which the success of the arrangement will be measured. However, if the commissioner determines that the scope of a particular proposed arrangement is such that the arrangement is certain to have neither a positive or negative impact on one or two of the criteria, the commissioner's decision need not require the submission of data or establish an objective standard relating to those criteria.

#### Sec. 20. [62J.2919] [APPEAL.]

After the commissioner has rendered a decision, the applicant or any other person aggrieved may appeal the decision to the Minnesota court of appeals

within 30 days after receipt of the commissioner's decision. The appeal is governed by sections 14.63 to 14.69. The appellate process does not include a contested case under sections 14.57 to 14.62. The commissioner's determination, under section 62J.2916, subdivision 1, of which procedure to use may not be raised as an issue on appeal.

Sec. 21. [62J.2920] [SUPERVISION AFTER APPROVAL.]

*Subdivision 1. [ACTIVE SUPERVISION.] The commissioner shall actively supervise, monitor, and regulate approved arrangements.*

*Subd. 2. [PROCEDURES.] The commissioner shall review data submitted periodically by the applicant. The commissioner's order shall set forth the time schedule for the submission of data, which shall be at least once a year. The commissioner's order must identify the data that must be submitted, although the commissioner may subsequently require the submission of additional data or alter the time schedule. Upon review of the data submitted, the commissioner shall notify the applicant of whether the arrangement is in compliance with the commissioner's order. If the arrangement is not in compliance with the commissioner's order, the commissioner shall identify those respects in which the arrangement does not conform to the commissioner's order.*

*An applicant receiving notification that an arrangement is not in compliance has 30 days in which to respond with additional data. The response may include a proposal and a time schedule by which the applicant will bring the arrangement into compliance with the commissioner's order. If the arrangement is not in compliance and the commissioner and the applicant cannot agree to the terms of bringing the arrangement into compliance, the matter shall be set for a contested case hearing.*

*The commissioner shall publish notice in the State Register two years after the date of an order approving an application, and at two-year intervals thereafter, soliciting comments from the public concerning the impact that the arrangement has had on cost, access, and quality. The commissioner may request additional oral or written information from the applicant or from any other source.*

*Subd. 3. [STUDY.] The commissioner shall study and make recommendations by January 15, 1995, on the appropriate length and scope of supervision of arrangements approved for exemption from the antitrust laws.*

Sec. 22. [62J.2921] [REVOCATION.]

*Subdivision 1. [CONDITIONS.] The commissioner may revoke approval of a cooperative arrangement only if:*

*(1) the arrangement is not in substantial compliance with the terms of the application;*

*(2) the arrangement is not in substantial compliance with the conditions of approval;*

*(3) the arrangement has not and is not likely to substantially achieve the improvements in cost, access, or quality identified in the approval order as the basis for the commissioner's approval of the arrangement; or*

*(4) the conditions in the marketplace have changed to such an extent that competition would promote reductions in cost and improvements in access and*

quality better than does the arrangement at issue. In order to revoke on the basis that conditions in the marketplace have changed, the commissioner's order must identify specific changes in the marketplace and articulate why those changes warrant revocation.

*Subd. 2. [NOTICE.] The commissioner shall begin a proceeding to revoke approval by providing written notice to the applicant describing in detail the basis for the proposed revocation. Notice of the proceeding must be published in the State Register and submitted to the Minnesota health care commission and the applicable regional coordinating boards. The notice must invite the submission of comments to the commissioner.*

*Subd. 3. [PROCEDURE.] A proceeding to revoke an approval must be conducted as a contested case proceeding upon the written request of the applicant. Decisions of the commissioner in a proceeding to revoke approval are subject to judicial review under sections 14.63 to 14.69.*

*Subd. 4. [ALTERNATIVES TO REVOCATION PREFERRED.] In deciding whether to revoke an approval, the commissioner shall take into account the hardship that the revocation may impose on the applicant, and any potential disruption of the market as a whole. The commissioner shall not revoke an approval if the arrangement can be modified, restructured, or regulated so as to remedy the problem upon which the revocation proceeding is based. The applicant may submit proposals for alternatives to revocation. Before approving an alternative to revocation that involves modifying or restructuring an arrangement, the commissioner shall publish notice in the State Register that any person may comment on the proposed modification or restructuring within 20 days after publication of the notice. The commissioner shall not approve the modification or restructuring until the comment period has concluded. An approved, modified, or restructured arrangement is subject to appropriate supervision under section 62J.2920.*

*Subd. 5. [IMPACT OF REVOCATION.] An applicant that has had its approval revoked is not required to terminate the arrangement. The applicant cannot be held liable under state or federal antitrust law for acts that occurred while the approval was in effect, except to the extent that the applicant failed to substantially comply with the terms of its application or failed to substantially comply with the terms of the approval. The applicant is fully subject to state and federal antitrust law after the revocation becomes effective, and may be held liable for acts that occur after the revocation.*

#### Sec. 23. [REPEALER.]

*Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; and 62J.29, are repealed.*

#### Sec. 24. [EFFECTIVE DATE.]

*Sections 1 to 23 are effective the day following final enactment. Sections 7 to 10 apply retroactively to any major spending commitment entered into after April 1, 1992, except that the requirements of section 62J.17, subdivision 4a, paragraph (a), that a report be submitted within 60 days after a major spending commitment and that a report include the items specifically listed are not retroactive.*

## ARTICLE 8

### SMALL EMPLOYER INSURANCE REFORM

Section 1. Minnesota Statutes 1992, section 62L.02, subdivision 26, is amended to read:

Subd. 26. [SMALL EMPLOYER.] "Small employer" means a person, firm, corporation, partnership, association, or other entity actively engaged in business who, on at least 50 percent of its working days during the preceding calendar year, employed no fewer than two nor more than 29 eligible employees, the majority of whom were employed in this state. If a small employer has only two eligible employees, one employee must not be the spouse, child, sibling, parent, or grandparent of the other, except that a small employer plan may be offered through a domiciled association to self-employed individuals and small employers who are members of the association, even if the self-employed individual or small employer has fewer than two employees or the employees are family members. Entities that are eligible to file a combined tax return for purposes of state tax laws are considered a single employer for purposes of determining the number of eligible employees. Small employer status must be determined on an annual basis as of the renewal date of the health benefit plan. The provisions of this chapter continue to apply to an employer who no longer meets the requirements of this definition until the annual renewal date of the employer's health benefit plan. Where an association, described in section 62A.10, subdivision 1, comprised of employers contracts with a health carrier to provide coverage to its members who are small employers, the association may elect to be considered to be a small employer, even though the association provides coverage to more than 29 employees of its members, so long as each employer that is provided coverage through the association qualifies as a small employer. An association's election to be considered a small employer under this section is not effective unless filed with the commissioner of commerce and unless the association notifies a health carrier of the election before purchasing coverage from the carrier. The association may revoke its election at any time by filing notice of revocation with the commissioner. *If an employer has employees covered under a trust established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, title 29, section 141, et seq., as amended, those employees are excluded in determining whether the employer qualifies as a small employer.*

Sec. 2. Minnesota Statutes 1992, section 62L.02, subdivision 27, is amended to read:

Subd. 27. [SMALL EMPLOYER MARKET.] (a) "Small employer market" means the market for health benefit plans for small employers.

(b) A health carrier is considered to be participating in the small employer market if the carrier offers, sells, issues, or renews a health benefit plan to: (1) any small employer; or (2) the eligible employees of a small employer offering a health benefit plan if, with the knowledge of the health carrier, ~~both~~ *either* of the following conditions ~~are~~ *is* met:

(i) any portion of the premium or benefits is paid for or reimbursed by a small employer; ~~and or~~

(ii) the health benefit plan is treated by the employer or any of the eligible employees or dependents as part of a plan or program for the purposes of the Internal Revenue Code, section 106, 125, or 162.

Sec. 3. Minnesota Statutes 1992, section 62L.03, subdivision 3, is amended to read:

Subd. 3. [MINIMUM PARTICIPATION.] (a) A small employer that has at least 75 percent of its eligible employees who have not waived coverage participating in a health benefit plan must be guaranteed coverage from any health carrier participating in the small employer market. The participation level of eligible employees must be determined at the initial offering of coverage and at the renewal date of coverage. A health carrier may not increase the participation requirements applicable to a small employer at any time after the small employer has been accepted for coverage. For the purposes of this subdivision, waiver of coverage includes only waivers due to coverage under another group health plan. *If a small employer does not satisfy the 75 percent participation requirement, a health carrier may decline to issue or renew coverage. If a health carrier voluntarily issues or renews a health benefit plan in that situation, the health benefit plan must fully comply with this chapter.*

(b) A health carrier may require that small employers contribute a specified minimum percentage toward the cost of the coverage of eligible employees, so long as the requirement is uniformly applied for all small employers *and for all types of health benefit plans, except for the small employer plans. If a small employer does not satisfy a health carrier's contribution requirement under this paragraph, the health carrier shall not issue or renew a health benefit plan to the small employer and shall not issue or renew individual coverage to the small employer's employees or their dependents, except as permitted under section 62L.12, subdivision 2.*

(c) For the small employer plans, a health carrier ~~must~~ *shall* require that small employers contribute at least 50 percent of the cost of the coverage of eligible employees. The health carrier ~~must~~ *shall* impose this *small employer plan contribution* requirement on a uniform basis for both small employer plans and for all small employers seeking to purchase a small employer plan. *If a small employer does not satisfy the contribution requirement under this paragraph, a health carrier shall not issue or renew a small employer plan to the small employer and shall not issue or renew individual coverage to the small employer's employees or their dependents, except as permitted under section 62L.12, subdivision 2.*

(e) (d) Nothing in this section obligates a health carrier to issue coverage to a small employer that currently offers coverage through a health benefit plan from another health carrier, unless the new coverage will replace the existing coverage and not serve as one of two or more health benefit plans offered by the employer.

Sec. 4. Minnesota Statutes 1992, section 62L.03, subdivision 4, is amended to read:

Subd. 4. [UNDERWRITING RESTRICTIONS.] Health carriers may apply underwriting restrictions to coverage for health benefit plans for small employers, including any preexisting condition limitations, only as expressly permitted under this chapter. *For purposes of this subdivision, "underwriting restrictions" means any refusal of the health carrier to issue or renew coverage, any premium rate higher than the lowest rate charged by the health carrier for the same coverage, or any preexisting condition limitation or exclusion.* Health carriers may collect information relating to the case characteristics and demographic composition of small employers, as well as health status and health history information about employees of small employers. Except as otherwise authorized for late entrants, preexisting

conditions may be excluded by a health carrier for a period not to exceed 12 months from the effective date of coverage of an eligible employee or dependent. When calculating a preexisting condition limitation, a health carrier shall credit the time period an eligible employee or dependent was previously covered by qualifying prior coverage, provided that the individual maintains continuous coverage. Late entrants may be subject to a preexisting condition limitation not to exceed 18 months from the effective date of coverage of the late entrant. Late entrants may also be excluded from coverage for a period not to exceed 18 months, provided that if a health carrier imposes an exclusion from coverage and a preexisting condition limitation, the combined time period for both the coverage exclusion and preexisting condition limitation must not exceed 18 months. *A health carrier shall, at the time of first issuance or renewal of a health benefit plan on or after July 1, 1993, credit against any preexisting condition limitation or exclusion permitted under this section, the time period prior to July 1, 1993, during which an eligible employee or dependent was covered by qualifying existing coverage or qualifying prior coverage, if the person has maintained continuous coverage.*

Sec. 5. Minnesota Statutes 1992, section 62L.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY OF CHAPTER REQUIREMENTS.] Beginning July 1, 1993, health carriers participating in the small employer market must offer and make available any health benefit plan that they offer, including both of the small employer plans provided in section 62L.05, to all small employers who satisfy the small employer participation *and contribution* requirements specified in this chapter. Compliance with these requirements is required as of the first renewal date of any small employer group occurring after July 1, 1993. For new small employer business, compliance is required as of the first date of offering occurring after July 1, 1993.

Compliance with these requirements is required as of the first renewal date occurring after July 1, 1994, with respect to employees of a small employer who had been issued individual coverage prior to July 1, 1993, administered by the health carrier on a group basis. Notwithstanding any other law to the contrary, the health carrier shall terminate any individual coverage for employees of small employers who satisfy the small employer participation requirements specified in section 62L.03 and offer to replace it with a health benefit plan. If the employer elects not to purchase a health benefit plan, the health carrier must offer all covered employees and dependents the option of maintaining their current coverage, administered on an individual basis, or replacement individual coverage. Small employer and replacement individual coverage provided under this subdivision must be without application of underwriting restrictions, provided continuous coverage is maintained.

Sec. 6. Minnesota Statutes 1992, section 62L.05, subdivision 4, is amended to read:

Subd. 4. [BENEFITS.] The medical services and supplies listed in this subdivision are the benefits that must be covered by the small employer plans described in subdivisions 2 and 3:

(1) inpatient and outpatient hospital services, excluding services provided for the diagnosis, care, or treatment of chemical dependency or a mental illness or condition, other than those conditions specified in clauses (10), (11), and (12);

(2) physician and nurse practitioner services for the diagnosis or treatment of illnesses, injuries, or conditions;

(3) diagnostic X-rays and laboratory tests;

(4) ground transportation provided by a licensed ambulance service to the nearest facility qualified to treat the condition, or as otherwise required by the health carrier;

(5) services of a home health agency if the services qualify as reimbursable services under Medicare and are directed by a physician or qualify as reimbursable under the health carrier's most commonly sold health plan for insured group coverage;

(6) services of a private duty registered nurse if medically necessary, as determined by the health carrier;

(7) the rental or purchase, as appropriate, of durable medical equipment, other than eyeglasses and hearing aids;

(8) child health supervision services up to age 18, as defined in section 62A.047;

(9) maternity and prenatal care services, as defined in sections 62A.041 and 62A.047;

(10) inpatient hospital and outpatient services for the diagnosis and treatment of certain mental illnesses or conditions, as defined by the International Classification of Diseases-Clinical Modification (ICD-9-CM), seventh edition (1990) and as classified as ICD-9 codes 295 to 299;

(11) ten hours per year of outpatient mental health diagnosis or treatment for illnesses or conditions not described in clause (10);

(12) 60 hours per year of outpatient treatment of chemical dependency; and

(13) 50 percent of eligible charges for prescription drugs, up to a separate annual maximum out-of-pocket expense of \$1,000 per individual for prescription drugs, and 100 percent of eligible charges thereafter.

Sec. 7. Minnesota Statutes 1992, section 62L.05, subdivision 6, is amended to read:

Subd. 6. [CHOICE PRODUCTS EXCEPTION.] Nothing in subdivision 1 prohibits a health carrier from offering a small employer plan which provides for different benefit coverages based on whether the benefit is provided through a primary network of providers or through a secondary network of providers so long as the benefits provided in the primary network equal the benefit requirements of the small employer plan as described in this section. For purposes of products issued under this subdivision, out-of-pocket costs in the secondary network may exceed the out-of-pocket limits described in subdivision 1. *A secondary network must not be used to provide "benefits in addition" as defined in subdivision 5, except in compliance with that subdivision.*

Sec. 8. Minnesota Statutes 1992, section 62L.09, subdivision 1, is amended to read:

Subdivision 1. [NOTICE TO COMMISSIONER.] A health carrier electing to cease doing business in the small employer market shall notify the



commissioner 180 days prior to the effective date of the cessation. The cessation of business does not include the failure of a health carrier to offer or issue new business in the small employer market or continue an existing product line, provided that a health carrier does not terminate, cancel, or fail to renew its current small employer business or other product lines. The health carrier shall simultaneously provide a copy of the notice to each small employer covered by a health benefit plan issued by the health carrier.

*Upon making the notification, the health carrier shall not offer or issue new business in the small employer market. The health carrier shall renew its current small employer business due for renewal within 120 days after the date of the notification, but shall not renew any small employer business more than 120 days after the date of the notification.*

*A health carrier that elects to cease doing business in the small employer market shall continue to be governed by this chapter with respect to any continuing small employer business conducted by the health carrier.*

Sec. 9. [REPEALER.]

*Minnesota Statutes 1992, section 62L.09, subdivision 2, is repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective July 1, 1993.*

## ARTICLE 9

### INDIVIDUAL MARKET REFORM; MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 62A.021, subdivision 1, is amended to read:

Subdivision 1. [LOSS RATIO STANDARDS.] Notwithstanding section 62A.02, subdivision 3, relating to loss ratios, a health care policy form or certificate form shall not be delivered or issued for delivery to an individual or to a small employer as defined in section 62L.02, unless the policy form or certificate form can be expected, as estimated for the entire period for which rates are computed to provide coverage, to return to Minnesota policyholders and certificate holders in the form of aggregate benefits not including anticipated refunds or credits, provided under the policy form or certificate form, (1) at least 75 percent of the aggregate amount of premiums earned in the case of policies issued in the small employer market, as defined in section 62L.02, subdivision 27; and (2) at least 65 percent of the aggregate amount of premiums earned in the case of policies issued in the individual market, calculated on the basis of incurred claims experience or incurred health care expenses where coverage is provided by a health maintenance organization on a service rather than reimbursement basis and earned premiums for the period and according to accepted actuarial principles and practices. A health carrier shall demonstrate that the third-year loss ratio is greater than or equal to the applicable percentage. Assessments by the reinsurance association created in chapter 62L and any types of taxes, surcharges, or assessments created by Laws 1992, chapter 549, or created on or after April 23, 1992, are included in the calculation of incurred claims experience or incurred health care expenses. The applicable percentage for policy forms and certificate forms issued in the small employer market, as defined in section 62L.02, increases by one percentage point on July January 1 of each year beginning on January 1, 1995, until an 80 percent loss ratio is reached on July January 1, 1998

1999. The applicable percentage for policy forms and certificate forms issued in the individual market increases by one percentage point on July January 1 of each year, until a 70 percent loss ratio is reached on July January 1, 1998 1999. A health carrier that enters a market after July 1, 1993, does not start at the beginning of the phase-in schedule and must instead comply with the loss ratio requirements applicable to other health carriers in that market for each time period. Premiums earned and claims incurred in markets other than the small employer and individual markets are not relevant for purposes of this section.

Notwithstanding section 645.26, any act enacted at the 1992 regular legislative session that amends or repeals section 62A.135 or that otherwise changes the loss ratios provided in that section is void.

All filings of rates and rating schedules shall demonstrate that actual expected claims in relation to premiums comply with the requirements of this section when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can be expected to meet the appropriate loss ratio standards, and aggregate loss ratio from inception of the policy form or certificate form shall equal or exceed the appropriate loss ratio standards.

A health carrier that issues health care policies and certificates to individuals or to small employers, as defined in section 62L.02, in this state shall file annually its rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy form or certificate form duration for approval by the commissioner according to the filing requirements and procedures prescribed by the commissioner. The supporting documentation shall also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the appropriate loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. An expected third-year loss ratio which is greater than or equal to the applicable percentage shall be demonstrated for policy forms or certificate forms in force less than three years. If the data submitted does not confirm that the health carrier has satisfied the loss ratio requirements of this section, the commissioner shall notify the health carrier in writing of the deficiency. The health carrier shall have 30 days from the date of the commissioner's notice to file amended rates that comply with this section. If the health carrier fails to file amended rates within the prescribed time, the commissioner shall order that the health carrier's filed rates for the nonconforming policy form or certificate form be reduced to an amount that would have resulted in a loss ratio that complied with this section had it been in effect for the reporting period of the supplement. The health carrier's failure to file amended rates within the specified time or the issuance of the commissioner's order amending the rates does not preclude the health carrier from filing an amendment of its rates at a later time. 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.

Each sale of a policy or certificate 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.

For purposes of this section, health care policies issued as a result of solicitations of individuals through the mail or mass media advertising, including both print and broadcast advertising, shall be treated as individual policies.

For purposes of this section, (1) "health care policy" or "health care certificate" is a health plan as defined in section 62A.011; and (2) "health carrier" has the meaning given in section 62A.011 and includes all health carriers delivering or issuing for delivery health care policies or certificates in this state or offering these policies or certificates to residents of this state.

*The first period for which the loss ratio required by this section must be calculated is the 18-month period beginning July 1, 1993. Beginning January 1, 1995, the loss ratio must be calculated on a calendar year basis.*

Sec. 2. Minnesota Statutes 1992, section 62A.65, is amended to read:

62A.65 [INDIVIDUAL MARKET REGULATION.]

Subdivision 1. [APPLICABILITY.] No health carrier, as defined in ~~chapter 62L~~ section 62A.011, shall offer, sell, issue, or renew any individual policy of accident and sickness coverage, as defined in section 62A.01, subdivision 1, any individual subscriber contract regulated under chapter 62C, any individual health maintenance contract regulated under chapter 62D, any individual health benefit certificate regulated under chapter 64B, or any individual health coverage provided by a multiple employer welfare arrangement, health plan, as defined in section 62A.011, to a Minnesota resident except in compliance with this section. For purposes of this section, "health benefit plan" has the meaning given in chapter 62L, except that the term means individual coverage, including family coverage, rather than employer group coverage. This section does not apply to the comprehensive health association established in section 62E.10 or to coverage described in section 62A.31, subdivision 1, paragraph (h), or to long-term care policies as defined in section 62A.46, subdivision 2.

Subd. 2. [GUARANTEED RENEWAL.] No individual health benefit plan may be offered, sold, issued, or renewed to a Minnesota resident unless the health benefit plan provides that the plan is guaranteed renewable at a premium rate that does not take into account the claims experience or any change in the health status of any covered person that occurred after the initial issuance of the health benefit plan to the person. The premium rate upon renewal must also otherwise comply with this section. ~~A~~ An individual health benefit plan may be subject to refusal to renew only under the conditions provided in chapter 62L for health benefit plans.

Subd. 3. [PREMIUM RATE RESTRICTIONS.] No individual health benefit plan may be offered, sold, issued, or renewed to a Minnesota resident unless the premium rate charged is determined in accordance with the rating and premium restrictions provided under chapter 62L, except that the minimum loss ratio applicable to an individual coverage health plan is as provided in section 62A.021. All ~~provisions~~ rating and premium restrictions of chapter 62L apply to rating and premium restrictions in the individual market, unless clearly inapplicable to the individual market.

Subd. 4. [GENDER RATING PROHIBITED.] No individual health benefit plan offered, sold, issued, or renewed to a Minnesota resident may determine the premium rate or any other underwriting decision, including initial

issuance, on the gender of any person covered or to be covered under the health benefit plan.

Subd. 5. [PORTABILITY OF COVERAGE.] (a) No individual health benefit plan may be offered, sold, issued, or renewed to a Minnesota resident that contains a preexisting condition limitation or exclusion, unless the limitation or exclusion would be permitted under chapter 62L. The individual may be treated as a late entrant, as defined in chapter 62L, unless the individual has maintained continuous coverage as defined in chapter 62L. An individual who has maintained continuous coverage may be subjected to a one-time preexisting condition limitation as permitted under chapter 62L for persons who are not late entrants, at the time that the individual first is covered by under an individual coverage health plan by any health carrier. Thereafter, the person must not be subject to any preexisting condition limitation under an individual health plan by any health carrier, except an unexpired portion of a limitation under prior coverage, so long as the individual maintains continuous coverage. A health carrier shall, at the time of first issuance or renewal of a health plan on or after July 1, 1993, credit against any preexisting condition limitation or exclusion permitted under this section, the time period prior to July 1, 1993, during which the person was covered by qualifying existing coverage or qualifying prior coverage, as defined in section 62L.02, if the person has maintained continuous coverage.

(b) A health carrier must offer an individual coverage health plan to any individual previously covered under a group health benefit plan issued by that health carrier, so long as the individual maintained continuous coverage as defined in chapter 62L. Coverage A health plan issued under this paragraph must not contain any preexisting condition limitation or exclusion, except for any unexpired limitation or exclusion under the previous coverage. The initial premium rate for the individual coverage health plan must comply with subdivision 3. The premium rate upon renewal must comply with subdivision 2.

Subd. 6. [GUARANTEED ISSUE NOT REQUIRED.] Nothing in this section requires a health carrier to initially issue a health benefit plan to a Minnesota resident, except as otherwise expressly provided in subdivision 4 or 5.

Sec. 3. Minnesota Statutes 1992, section 62E.02, subdivision 23, is amended to read:

Subd. 23. [CONTRIBUTING MEMBER.] "Contributing member" means those companies regulated under chapter 62A and offering, selling, issuing, or renewing policies or contracts of accident and health insurance; health maintenance organizations regulated under chapter 62D; nonprofit health service plan corporations regulated under chapter 62C; fraternal benefit societies regulated under chapter 64B; the private employers insurance program established in section 43A.317, effective July 1, 1993; integrated service networks operating under chapter 62N; and joint self-insurance plans regulated under chapter 62H. For the purposes of determining liability of contributing members pursuant to section 62E.11 payments received from or on behalf of Minnesota residents for coverage by a health maintenance organization shall be considered to be accident and health insurance premiums.

Sec. 4. Minnesota Statutes 1992, section 62E.10, subdivision 1, is amended to read:

Subdivision 1. [CREATION; TAX EXEMPTION.] There is established a comprehensive health association to promote the public health and welfare of the state of Minnesota with membership consisting of all insurers; self-insurers; fraternal; joint self-insurance plans regulated under chapter 62H; the private employers insurance program established in section 43A.317, effective July 1, 1993; *integrated service networks operating under chapter 62N*; and health maintenance organizations licensed or authorized to do business in this state. The comprehensive health association shall be exempt from taxation under the laws of this state and all property owned by the association shall be exempt from taxation.

Sec. 5. Minnesota Statutes 1992, section 62E.10, subdivision 3, is amended to read:

Subd. 3. [MANDATORY MEMBERSHIP.] All members shall maintain their membership in the association as a condition of doing accident and health insurance, self-insurance, *integrated service network*, or health maintenance organization business in this state. The association shall submit its articles, bylaws and operating rules to the commissioner for approval; provided that the adoption and amendment of articles, bylaws and operating rules by the association and the approval by the commissioner thereof shall be exempt from the provisions of sections 14.001 to 14.69.

Sec. 6. Minnesota Statutes 1992, section 62E.11, subdivision 12, is amended to read:

Subd. 12. [FUNDING.] Notwithstanding subdivision 5, the claims expenses and operating and administrative expenses of the association incurred on or after January 1, 1994, *to the extent that they exceed the premiums received*, shall be paid from the health care access account established in section 16A.724, to the extent appropriated for that purpose by the legislature. Any such expenses not paid from that account shall be paid as otherwise provided in this section. All contributing members shall adjust their premium rates to fully reflect funding provided under this subdivision. The commissioner of commerce or the commissioner of health, as appropriate, shall require contributing members to prove compliance with this rate adjustment requirement.

Sec. 7. Minnesota Statutes 1992, section 62L.02, subdivision 16, is amended to read:

Subd. 16. [HEALTH CARRIER.] "Health carrier" means an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; *an integrated service network*; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; and a multiple employer welfare arrangement, as defined in United States Code, title 29, section 1002(40), as amended through December 31, 1991. For the purpose of this chapter, companies that are affiliated companies or that are eligible to file a consolidated tax return must be treated as one carrier, except that any insurance company or health service plan corporation that is an affiliate of a health maintenance organization located in Minnesota, or any health maintenance organization located in Minnesota that is an affiliate of an insurance company or health service plan corporation, or any health maintenance organization that is an affiliate of

another health maintenance organization in Minnesota, may treat the health maintenance organization as a separate carrier.

Sec. 8. [EFFECTIVE DATE.]

*Sections 1, 2, and 6 are effective July 1, 1993. Sections 3, 4, 5, and 7 are effective January 1, 1994.*

ARTICLE 10

MINNESOTACARE PROGRAM

Section 1. Minnesota Statutes 1992, section 256.9351, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE PROVIDERS.] "Eligible providers" means those health care providers who provide covered health services to medical assistance recipients under rules established by the commissioner for that program. ~~Reimbursement under this section shall be at the same rates and conditions established for medical assistance.~~

Sec. 2. Minnesota Statutes 1992, section 256.9353, is amended to read:

256.9353 [COVERED HEALTH SERVICES.]

Subdivision 1. [COVERED HEALTH SERVICES.] "Covered health services" means the health services reimbursed under chapter 256B, with the exception of inpatient hospital services, special education services, private duty nursing services, orthodontic services, medical transportation services, personal care assistant and case management services, hospice care services, nursing home or intermediate care facilities services, inpatient mental health services, outpatient mental health services in excess of \$1,000 per adult enrollee and \$2,500 per child enrollee per 12-month eligibility period, and chemical dependency services. Outpatient mental health services covered under the health right plan are limited to diagnostic assessments, psychological testing, explanation of findings, and individual, family, and group psychotherapy. Medication management by a physician is not subject to the \$1,000 and \$2,500 limitations on outpatient mental health services. Covered health services shall be expanded as provided in this section for enrollees eligible under section 256.9354, subdivisions 2, 3, 4, and 5. Covered health services for enrollees eligible under section 256.9354, subdivision 1, shall continue as provided in this subdivision.

Subd. 2. [ALCOHOL AND DRUG DEPENDENCY.] Beginning October 1, 1992, covered health services shall include up to ten hours per year of individual outpatient treatment of alcohol or drug dependency by a qualified health professional or outpatient program, *subject to an annual benefit limit of ten hours.* Two hours of group treatment count as one hour of individual treatment.

Persons who may need chemical dependency services under the provisions of this chapter shall be assessed by a local agency as defined under section 254B.01, and under the assessment provisions of section 254A.03, subdivision 3: *A local agency must place a person in need of chemical dependency services as provided in Minnesota Rules, parts 9530.6600 to 9530.6660.* Persons who are recipients of medical benefits under the provisions of this chapter and who are financially eligible for consolidated chemical dependency treatment fund services provided under the provisions of chapter 254B shall

receive chemical dependency treatment services under the provisions of chapter 254B only if:

- (1) they have exhausted the chemical dependency benefits offered under this chapter; or
- (2) an assessment indicates that they need a level of care not provided under the provisions of this chapter.

Subd. 3. [INPATIENT HOSPITAL SERVICES.] (a) Beginning July 1, 1993, covered health services shall include inpatient hospital services, *excluding inpatient hospital mental health services*, subject to those limitations necessary to coordinate the provision of these services with eligibility under the medical assistance spend-down. The inpatient hospital benefit for adult enrollees ~~not eligible for medical assistance~~ is subject to an annual benefit limit of \$10,000. The commissioner shall provide enrollees with at least 60 days' notice of coverage for inpatient hospital services and any premium increase associated with the inclusion of this benefit.

(b) *Enrollees shall apply for and cooperate with the requirements of medical assistance by the last day of the third month following admission to an inpatient hospital for non-mental health services. If an enrollee fails to apply for medical assistance within this time period, the enrollee and the enrollee's family shall be disenrolled from the plan within one calendar month. Enrollees and enrollees' families disenrolled for not applying for or not cooperating with medical assistance may not reenroll.*

Subd. 4. [EMERGENCY MEDICAL TRANSPORTATION SERVICES.] Beginning July 1, 1993, covered health services shall include emergency medical transportation services.

Subd. 5. [FEDERAL WAIVERS AND APPROVALS COORDINATION WITH MEDICAL ASSISTANCE.] The commissioner shall coordinate the provision of hospital inpatient services under the health right plan with enrollee eligibility under the medical assistance spend-down, and shall apply to the secretary of health and human services for any necessary federal waivers or approvals.

Subd. 6. [COPAYMENTS AND COINSURANCE.] The health right benefit plan shall include the following copayments and coinsurance requirements:

- (1) ten percent *of the charges submitted* for inpatient hospital services for adult enrollees not eligible for medical assistance, subject to an annual out-of-pocket maximum of ~~\$2,000~~ \$1,000 per individual and \$3,000 per family;
- (2) 50 percent for adult dental services, except for preventive services;
- (3) \$3 per prescription for adult enrollees; and
- (4) \$25 for eyeglasses for adult enrollees.

Enrollees who would be eligible for medical assistance with a spend-down shall be financially responsible for the coinsurance amount up to the spend-down limit or the coinsurance amount, whichever is less, in order to become eligible for the medical assistance program.

Sec. 3. Minnesota Statutes 1992, section 256.9354, subdivision 1, is amended to read:

Subdivision 1. [CHILDREN.] "Eligible persons" means children who are ~~one year~~ 18 months of age or older but less than 18 years of age who have gross family incomes that are equal to or less than 185 percent of the federal poverty guidelines and who are not eligible for medical assistance under chapter 256B and who are not otherwise insured for the covered services. The period of eligibility extends from the first day of the month in which the ~~child's first birthday occurs~~ child becomes 18 months old to the last day of the month in which the child becomes 18 years old. Eligibility for the ~~health right plan~~ MinnesotaCare shall be expanded as provided in subdivisions 2 to 5. Under subdivisions 2 to 5, parents who enroll in the health right plan must also enroll their children and dependent siblings, if the children and their dependent siblings are eligible. Children and dependent siblings may be enrolled separately without enrollment by parents. However, if one parent in the household enrolls, both parents must enroll, unless other insurance is available. If one child from a family is enrolled, all children must be enrolled, unless other insurance is available. Families cannot choose to enroll only certain uninsured members. For purposes of this section, a "dependent sibling" means an unmarried child who is a full-time student under the age of 25 years who is financially dependent upon a parent. Proof of school enrollment will be required.

Sec. 4. Minnesota Statutes 1992, section 256.9354, subdivision 4, is amended to read:

Subd. 4. [FAMILIES WITH CHILDREN; ELIGIBILITY BASED ON PERCENTAGE OF INCOME PAID FOR HEALTH COVERAGE.] Beginning January 1, 1993, "eligible persons" means children, parents, and dependent siblings residing in the same household who are not eligible for medical assistance under chapter 256B. These persons are eligible for coverage through the ~~health right plan but MinnesotaCare and who are eligible under subdivisions 2, 3, 4, or 5~~ must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the health right plan. Individuals who initially enroll in the health right plan under the eligibility criteria in this subdivision remain eligible for the health right plan, regardless of age, place of residence within Minnesota, or the presence or absence of children in the same household, as long as all other eligibility requirements are met and continuous enrollment in the health right plan or medical assistance is maintained.

Sec. 5. Minnesota Statutes 1992, section 256.9356, subdivision 1, is amended to read:

Subdivision 1. [ENROLLMENT FEE.] ~~Until October 1, 1992,~~ An annual enrollment fee of \$25, not to exceed \$150 per family, is required from ~~eligible persons for covered health services all enrollees eligible under section 256.9354, subdivision 1.~~

Sec. 6. Minnesota Statutes 1992, section 256.9356, subdivision 2, is amended to read:

Subd. 2. [PREMIUM PAYMENTS.] ~~Beginning October 1, 1992,~~ The commissioner shall require ~~health right plan MinnesotaCare~~ enrollees to pay a premium based on a sliding scale, as established under section ~~256.9357~~



256.9358. Applicants who are eligible under section 256.9354, subdivision 1, are exempt from this requirement. ~~until July 1, 1993, if the application is received by the health right plan staff on or before September 30, 1992. Before July 1, 1993, These individuals shall continue to pay the annual enrollment fee required by subdivision 1.~~

Sec. 7. Minnesota Statutes 1992, section 256.9357, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] Families and individuals who enroll on or after October 1, 1992, are eligible for subsidized premium payments based on a sliding scale under section 256.9358 only if the family or individual meets the requirements in subdivisions 2 and 3. ~~Children already enrolled in the health right plan as of September 30, 1992, are eligible for subsidized premium payments without meeting these requirements, as long as they maintain continuous coverage in the health right plan or medical assistance.~~

Families and individuals who initially enrolled in the health right MinnesotaCare plan under section 256.9354, and whose income increases above the limits established in section 256.9358, may continue enrollment and pay the full cost of coverage.

Sec. 8. [256.9362] [PROVIDER PAYMENT.]

*Subdivision 1. [MEDICAL ASSISTANCE RATE TO BE USED.] Payment to providers under sections 256.9351 to 256.9362 shall be at the same rates and conditions established for medical assistance, except as provided in subdivisions 2 to 6.*

*Subd. 2. [PAYMENT OF CERTAIN PROVIDERS.] Services provided by federally qualified health centers, rural health clinics, and facilities of the Indian health service shall be paid for according to the same rates and conditions applicable to the same service provided by providers that are not federally qualified health centers, rural health clinics, or facilities of the Indian health service.*

*Subd. 3. [INPATIENT HOSPITAL SERVICES.] Inpatient hospital services provided under section 256.9353, subdivision 3, shall be paid for as provided in subdivisions 4 to 6.*

*Subd. 4. [DEFINITION OF MEDICAL ASSISTANCE RATE FOR INPATIENT HOSPITAL SERVICES.] The "medical assistance rate," as used in this section to apply to rates for providing inpatient hospital services, means the rates established under sections 256.9685 to 256.9695 for providing inpatient hospital services to medical assistance recipients who receive aid to families with dependent children.*

*Subd. 5. [ENROLLEES YOUNGER THAN 18.] Payment for inpatient hospital services provided to MinnesotaCare enrollees who are younger than 18 years old on the date of admission to the inpatient hospital shall be at the medical assistance rate.*

*Subd. 6. [ENROLLEES 18 OR OLDER.] Payment by the MinnesotaCare program for inpatient hospital services provided to MinnesotaCare enrollees who are 18 years old or older on the date of admission to the inpatient hospital must be in accordance with paragraphs (a) and (b).*

(a) If the medical assistance rate is less than or equal to the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the medical assistance rate minus any copayment required under section 256.9353, subdivision 6. The hospital must not seek payment from the enrollee in addition to the copayment. The MinnesotaCare payment plus the copayment must be treated as payment in full.

(b) If the medical assistance rate is greater than the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the lesser of:

(1) the amount remaining in the enrollee's benefit limit; or

(2) the greater of:

(i) the medical assistance rate minus any copayment under section 256.9353, subdivision 6; or

(ii) charges submitted for the inpatient hospital services less any copayment established under section 256.9353, subdivision 6.

The hospital may seek payment from the enrollee for the amount by which usual and customary charges exceed the payment under this paragraph.

Sec. 9. Minnesota Statutes 1992, section 256B.057, subdivision 1, is amended to read:

Subdivision 1. [PREGNANT WOMEN AND INFANTS.] An infant less than one year 18 months of age or a pregnant woman who has written verification of a positive pregnancy test from a physician or licensed registered nurse, is eligible for medical assistance if countable family income is equal to or less than 185 percent of the federal poverty guideline for the same family size. Eligibility for a pregnant woman or infant less than one year of age 18 months old under this subdivision must be determined without regard to asset standards established in section 256B.056, subdivision 3.

An infant born on or after January 1, 1991, to a woman who was eligible for and receiving medical assistance on the date of the child's birth shall continue to be eligible for medical assistance without redetermination until the child's first birthday child is 18 months of age, as long as the child remains in the woman's household.

Women and infants who are eligible under this subdivision and whose countable family income is equal to or greater than 185 percent of the federal poverty guideline for the same family size shall be required to pay a premium for medical assistance coverage based on a sliding scale as established under section 256.9358.

Sec. 10. [DEMONSTRATION WAIVER.]

The commissioner of human services shall seek a demonstration waiver to allow the state to charge the premium as described in section 5.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective July 1, 1993. Section 10 is effective July 1, 1993, or after the effective date of the waiver referred to in section 6, whichever is later.

## ARTICLE 11

## RURAL HEALTH INITIATIVE

Section 1. Minnesota Statutes 1992, section 144.1484, subdivision 1, is amended to read:

Subdivision 1. [SOLE COMMUNITY HOSPITAL FINANCIAL ASSISTANCE GRANTS.] The commissioner of health shall award financial assistance grants to rural hospitals in isolated areas of the state. To qualify for a grant, a hospital must: (1) be eligible to be classified as a sole community hospital according to the criteria in Code of Federal Regulations, title 42, section 412.92 or be located in a community with a population of less than 5,000 and located more than 25 miles from a like hospital currently providing acute short-term services; (2) have experienced net income losses in the two most recent consecutive hospital fiscal years for which audited financial information is available; (3) consist of 30 40 or fewer licensed beds; and (4) ~~have exhausted local sources of support. Before applying for a grant, the hospital must have developed a strategic plan. The commissioner shall award grants in equal amounts.~~ demonstrate to the commissioner that it has obtained local support for the hospital, and that any state support awarded under this program will not be used to supplant local financial support for the hospital. The commissioner shall review audited financial statements of the hospital to assess the extent of local financial support. Evidence of local financial support may include bonds issued by a local government entity such as a city, county, or hospital district for the purpose of financing hospital projects; and loans, grants, or donations to the hospital from local government entities, private organizations, or individuals. The commissioner shall determine the amount of the award to be given to each eligible hospital, based on the hospital's financial need and the total amount of funding available.

Sec. 2. Minnesota Statutes 1992, section 144.1484, subdivision 2, is amended to read:

Subd. 2. [GRANTS TO AT-RISK RURAL HOSPITALS TO OFFSET THE IMPACT OF THE HOSPITAL TAX.] (a) The commissioner of health shall award financial assistance grants to rural hospitals that would otherwise close as a direct result of the hospital tax in section 295.52. To be eligible for a grant, a hospital must have 50 or fewer beds and must not be located in a city of the first class. To receive a grant, the hospital must demonstrate to the satisfaction of the commissioner of health that the hospital will close in the absence of state assistance under this subdivision and that the hospital tax is the principal reason for the closure.

(b) At a minimum the hospital must demonstrate that:

(1) it has had a net margin of minus ten percent or below in at least one of the last two years or a net margin of less than zero percent in at least three of the last four years. For purposes of this subdivision, "net margin" means the ratio of net income from all hospital sources to total revenues generated by the hospital;

(2) it has had a negative cash flow in at least three of the last four years. For purposes of this subdivision, "cash flow" means the total of net income plus depreciation; and

(3) its fund balance has declined by at least 25 percent over the last two years, and its fund balance at the end of its last fiscal year was equal to or

less than its accumulated net loss during the last two years. For purposes of this subdivision, "fund balance" means the excess of assets of the hospital's fund over its liabilities and reserves.

(c) A hospital seeking a grant shall submit the following with its application:

(1) a statement of the projected dollar amount of tax liability for the current fiscal year, projected monthly disbursements, and projected net patient revenue base for the current fiscal year, broken down by payor categories including Medicare, medical assistance, MinnesotaCare, general assistance medical care, and others. The figures must be certified by the hospital administrator;

(2) a statement of all rate increases, listing the date and percentage of each increase during the last three years and the date and percentage of any increases for the current fiscal year. The statement must be certified by the hospital administrator and must include a narrative explaining whether or not the rate increase incorporates a pass through of the hospital tax;

(3) a statement certified by the chair or equivalent of the hospital board, and by an independent auditor, that the hospital will close within the next 12 months as a result of the hospital tax unless it receives a grant; and

(4) a statement certified by the chair or equivalent of the hospital board that the hospital will not close for financial reasons within the next 12 months if it receives a grant.

The amount of the grant must not exceed the amount of the tax the hospital would pay under section 295.52, based on the previous year's hospital revenues. A hospital that closes within 12 months after receiving a grant under this subdivision must refund the amount of the grant to the commissioner of health.

## ARTICLE 12

### HEALTH PROFESSIONAL EDUCATION

Section 1. Minnesota Statutes 1992, section 136A.1355, subdivision 1, is amended to read:

Subdivision 1. [CREATION OF ACCOUNT.] A rural physician education account is established in the health care access fund. The higher education coordinating board shall use money from the account to establish a loan forgiveness program for medical students agreeing to practice in designated rural areas, as defined by the board.

Sec. 2. Minnesota Statutes 1992, section 136A.1355, subdivision 3, is amended to read:

Subd. 3. [LOAN FORGIVENESS.] ~~Prior to June 30, 1992, the higher education coordinating board may accept up to eight applicants who are fourth year medical students, up to eight applicants who are first year residents, and up to eight applicants who are second year residents for participation in the loan forgiveness program. For the period July 1, 1992 1993 through June 30, 1995, the higher education coordinating board may accept up to eight four applicants who are fourth year medical students, three applicants who are pediatric residents, three applicants who are family practice residents, and~~

*two applicants who are internal medicine residents, per fiscal year for participation in the loan forgiveness program. The eight resident applicants can be in any year of training.* Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed \$10,000, as a qualified loan. For each year that a participant serves as a physician in a designated rural area, up to a maximum of four years, the higher education coordinating board shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated rural area to another remain eligible for loan repayment. In addition, if a resident participating in the loan forgiveness program serves at least four weeks during a year of residency substituting for a rural physician to temporarily relieve the rural physician of rural practice commitments to enable the rural physician to take a vacation, engage in activities outside the practice area, or otherwise be relieved of rural practice commitments, the participating resident may designate up to an additional \$2,000, above the \$10,000 maximum, for each year of residency during which the resident substitutes for a rural physician for four or more weeks.

Sec. 3. Minnesota Statutes 1992, section 136A.1355, subdivision 4, is amended to read:

Subd. 4. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the required three-year minimum commitment of service in a designated rural area, the higher education coordinating board shall collect from the participant the amount paid by the board under the loan forgiveness program. The higher education coordinating board shall deposit the money collected in the rural physician education account established in subdivision 1. The board shall allow waivers of all or part of the money owed the board if emergency circumstances prevented fulfillment of the three-year service commitment.

Sec. 4. Minnesota Statutes 1992, section 136A.1355, is amended by adding a subdivision to read:

Subd. 5. [LOAN FORGIVENESS; UNDERSERVED URBAN COMMUNITIES.] *For the period July 1, 1993 to June 30, 1995, the higher education coordinating board may accept up to three applicants who are fourth year medical students, two applicants who are pediatric residents, two applicants who are family practice residents, and one applicant who is an internal medicine resident per fiscal year for participation in the urban primary care physician loan forgiveness program. The five resident applicants may be in any year of residency training. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed \$10,000, as a qualified loan. For each year that a participant serves as a physician in a designated underserved urban area, up to a maximum of four years, the higher education coordinating board shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated underserved urban community to another remain eligible for loan repayment.*

Sec. 5. Minnesota Statutes 1992, section 136A.1356, subdivision 2, is amended to read:

Subd. 2. [CREATION OF ACCOUNT.] A midlevel practitioner education account is established *in the health care access fund*. The higher education coordinating board shall use money from the account to establish a loan forgiveness program for midlevel practitioners agreeing to practice in designated rural areas.

Sec. 6. Minnesota Statutes 1992, section 136A.1356, subdivision 5, is amended to read:

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment required under subdivision 4 for full repayment of all qualified loans, the higher education coordinating board shall collect from the participant 100 percent of any payments made for qualified loans and interest at a rate established according to section 270.75. The higher education coordinating board shall deposit the money collected in the midlevel practitioner education account *established in subdivision 2*. The board shall allow waivers of all or part of the money owed the board if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 7. Minnesota Statutes 1992, section 136A.1357, subdivision 1, is amended to read:

Subdivision 1. [CREATION OF THE ACCOUNT.] An education account in the ~~general~~ *health care access fund* is established for a loan forgiveness program for nurses who agree to practice nursing in a nursing home. The account consists of money appropriated by the legislature and repayments and penalties collected under subdivision 4. Money from the account must be used for a loan forgiveness program.

Sec. 8. Minnesota Statutes 1992, section 136A.1357, subdivision 4, is amended to read:

Subd. 4. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment required under subdivision 3 for full repayment of all qualified loans, the commissioner shall collect from the participant 100 percent of any payments made for qualified loans and interest at a rate established according to section 270.75. The board shall deposit the collections in the ~~general~~ *health care access fund* to be credited to the account established in subdivision 1. The board may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 9. Minnesota Statutes 1992, section 137.38, subdivision 2, is amended to read:

Subd. 2. [PRIMARY CARE.] For purposes of sections 137.38 to 137.40, "primary care" means a type of medical care delivery that assumes ongoing responsibility for the patient in both health maintenance and illness treatment. It is personal care involving a unique interaction and communication between the patient and the physician. It is comprehensive in scope, and includes all the overall coordination of the care of the patient's health care problems including biological, behavioral, and social problems. The appropriate use of consultants and community resources is an important aspect of effective primary care. *Primary care physicians include family practitioners, pediatricians, and internists.*

Sec. 10. Minnesota Statutes 1992, section 137.38, subdivision 3, is amended to read:

Subd. 3. [GOALS.] The board of regents of the University of Minnesota, through the University of Minnesota medical school, is requested to implement the initiatives required by sections 137.38 to 137.40 in order to increase the number of graduates of residency programs of the medical school who practice primary care by 20 percent over an eight-year period. The initiatives must be designed to encourage newly graduated primary care physicians to establish practices in areas of rural *and urban* Minnesota that are medically underserved.

Sec. 11. Minnesota Statutes 1992, section 137.38, subdivision 4, is amended to read:

Subd. 4. [GRANTS.] The board of regents is requested to seek grants from private foundations and other nonstate sources, *including community provider organizations*, for the medical school initiatives outlined in sections 137.38 to 137.40.

Sec. 12. Minnesota Statutes 1992, section 137.39, subdivision 2, is amended to read:

Subd. 2. [DESIGN OF CURRICULUM.] The medical school is requested to ensure that its curriculum provides students with early exposure to primary care physicians and primary care practice, *and to address other primary care curriculum issues such as public health, preventive medicine, and health care delivery*. The medical school is requested to also support premedical school educational initiatives that provide students with greater exposure to primary care physicians and practices.

Sec. 13. Minnesota Statutes 1992, section 137.39, subdivision 3, is amended to read:

Subd. 3. [CLINICAL EXPERIENCES IN PRIMARY CARE.] The medical school, ~~in consultation with medical school faculty at the University of Minnesota, Duluth,~~ is requested to develop a program to provide students with clinical experiences in primary care settings in internal medicine and pediatrics. The program must provide training experiences in medical clinics in rural Minnesota communities, as well as in community clinics and health maintenance organizations in the Twin Cities metropolitan area.

Sec. 14. Minnesota Statutes 1992, section 137.40, subdivision 3, is amended to read:

Subd. 3. [CONTINUING MEDICAL EDUCATION.] The medical school is requested to develop continuing medical education programs for primary care physicians that are comprehensive, community-based, ~~and~~ accessible to primary care physicians in all areas of the state, *and which enhance primary care skills*.

## ARTICLE 13

### DATA RESEARCH INITIATIVES

Section 1. Minnesota Statutes 1992, section 62J.30, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of sections 62J.30 to 62J.34, the following definitions apply:

(a) "Practice parameter" means a statement intended to guide the clinical decision making of health care providers and patients that is supported by the results of appropriately designed outcomes research studies, ~~including those studies sponsored or that has been approved~~ by the federal agency for health care policy and research, ~~or has been~~ adopted for use by a national medical society, *national medical specialty society, or a nationally recognized health care related society.*

(b) "Outcomes research" means research designed to identify and analyze the outcomes and costs of alternative interventions for a given clinical condition, in order to determine the most appropriate and cost-effective means to prevent, diagnose, treat, or manage the condition, or in order to develop and test methods for reducing inappropriate or unnecessary variations in the type and frequency of interventions.

Sec. 2. Minnesota Statutes 1992, section 62J.30, subdivision 6, is amended to read:

Subd. 6. [DATA COLLECTION PROCEDURES.] The health care analysis unit shall collect data from health care providers, health carriers, and individuals in the most cost-effective manner, which does not unduly burden ~~providers them.~~ The unit may require health care providers and health carriers to collect and provide *all* patient health records *and claim files*, ~~provide mailing lists of patients who have consented to release of data,~~ and cooperate in other ways with the data collection process. ~~For purposes of this chapter, the health care analysis unit shall assign, or require health care providers and health carriers to assign, a unique identification number to each patient to safeguard patient identity. The unit may also require health care providers and health carriers to provide mailing lists of patients who have consented to release of data. The commissioner shall require all health care providers, group purchasers, and state agencies to use a standard patient identifier from which the patient cannot be identified, and a standard identifier for providers and health plans when reporting data under this chapter. Patient identifiers must be coded to enable release of otherwise private data to researchers, providers, and group purchasers in a manner consistent with chapter 13 and section 144.335.~~

Sec. 3. Minnesota Statutes 1992, section 62J.30, subdivision 7, is amended to read:

Subd. 7. [DATA CLASSIFICATION.] (a) Data collected through the large-scale data base initiatives of the health care analysis unit required by section 62J.31 that identify individuals are private data on individuals. Data not on individuals are nonpublic data. The commissioner may release private data on individuals and nonpublic data to researchers affiliated with university research centers or departments who are conducting research on health outcomes, practice parameters, and medical practice style; researchers working under contract with the commissioner; and individuals purchasing health care services for health carriers and groups. ~~Prior to releasing any nonpublic or private data under this paragraph that identify or relate to a specific health carrier, medical provider, or health care facility, the commissioner shall provide at least 30 days' notice to the subject of the data, including a copy of the relevant data, and allow the subject of the data to provide a brief explanation or comment on the data which must be released with the data. The commissioner shall require any person or organization receiving under this subdivision either private data on individuals or nonpublic data to sign an~~



agreement to maintain the data that it receives according to the statutory provisions applicable to the data. The agreement shall not limit the preparation and dissemination of summary data as permitted under section 13.05, subdivision 7. To the extent reasonably possible, release of private or confidential data under this chapter shall be made without releasing data that could reveal the identity of individuals and should instead be released using the identification numbers required by subdivision 6.

(b) Summary data derived from data collected through the large-scale data base initiatives of the health care analysis unit may be provided under section 13.05, subdivision 7, and may be released in studies produced by the commissioner.

(c) The commissioner shall adopt rules to establish criteria and procedures to govern access to and the use of data collected through the initiatives of the health care analysis unit.

Sec. 4. Minnesota Statutes 1992, section 62J.34, subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] The commissioner of health, after receiving the advice and recommendations of the Minnesota health care commission, may approve practice parameters that are endorsed, developed, or revised by the health care analysis unit. The commissioner is exempt from the rulemaking requirements of chapter 14 when approving practice parameters approved by the federal agency for health care policy and research, practice parameters adopted for use by a national medical society, ~~or a national medical specialty society~~, or a nationally recognized health care related society. The commissioner shall use rulemaking to approve practice parameters that are newly developed or substantially revised by the health care analysis unit. Practice parameters adopted without rulemaking must be published in the State Register.

Sec. 5. Minnesota Statutes 1992, section 144.335, is amended by adding a subdivision to read:

Subd. 3b. [RELEASE OF RECORDS TO COMMISSIONER OF HEALTH OR DATA INSTITUTE.] *Subdivision 3a does not apply to the release of health records to the commissioner of health or the data institute under chapter 62J, provided that the data are not in individually identifiable form.*

Sec. 6. Minnesota Statutes 1992, section 214.16, subdivision 3, is amended to read:

Subd. 3. [GROUNDS FOR DISCIPLINARY ACTION.] The board shall take disciplinary action, *which may include license revocation*, against a regulated person for:

(1) *intentional failure to provide the commissioner of health or the health care analysis unit established under section 62J.30 with the data on gross patient revenue as required under section 62J.04 chapter 62J;*

(2) *failure to provide the health care analysis unit with data as required under Laws 1992, chapter 549, article 7;*

(3) *intentional failure to provide the commissioner of revenue with data on gross revenue and other information required for the commissioner to implement sections 295.50 to 295.58; and*

(4) (3) *intentional* failure to pay the health care provider tax required under section 295.52.

## ARTICLE 14

### FINANCING

Section 1. Minnesota Statutes 1992, section 295.50, subdivision 3, is amended to read:

Subd. 3. [GROSS REVENUES.] (a) "Gross revenues" are total amounts received in money or otherwise by:

(1) a resident hospital for ~~inpatient or outpatient~~ patient services as defined in Minnesota Rules, part 4650.0102, subparts 21 and 29;

(1a) a resident surgical center for patient services;

(2) a nonresident hospital for ~~inpatient or outpatient~~ patient services as defined in Minnesota Rules, part 4650.0102, subparts 21 and 29, provided to patients domiciled in Minnesota;

(2a) a nonresident surgical center for patient services provided to patients domiciled in Minnesota;

(3) a resident health care provider, other than a health maintenance organization, for ~~covered~~ patient services listed in section 256B.0625;

(4) a nonresident health care provider for ~~covered~~ patient services listed in section 256B.0625 provided to an individual domiciled in Minnesota;

(5) a wholesale drug distributor for sale or distribution of prescription drugs that are delivered in Minnesota by the distributor or a common carrier, unless the prescription drugs are delivered to another wholesale drug distributor. *Prescription drugs do not include nutritional products as defined in Minnesota Rules, part 9505.0325; and*

(6) a health maintenance organization as gross premiums for enrollees, carrier copayments, and fees for ~~covered~~ patient services listed in section 256B.0625.

(b) ~~Gross revenues do not include governmental, foundation, or other grants or donations to a hospital or health care provider for operating or other costs.~~

Sec. 2. Minnesota Statutes 1992, section 295.50, subdivision 4, is amended to read:

Subd. 4. [HEALTH CARE PROVIDER.] (a) "Health care provider" is a vendor of medical care qualifying for reimbursement under the medical assistance program provided under chapter 256B, and includes health maintenance organizations but excludes hospitals and pharmacies means:

(1) a person furnishing any or all of the following goods or services to a patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services, drugs, medical supplies, medical appliances, laboratory, diagnostic or therapeutic services, or any service not listed above that qualifies for reimbursement under the medical assistance program provided under chapter 256B;

- (2) a health maintenance organization;
- (3) an integrated service network; or
- (4) a licensed ambulance service.

(b) Health care provider does not include hospitals, nursing homes licensed under chapter 144A, surgical centers, and pharmacies as defined in section 151.01.

Sec. 3. Minnesota Statutes 1992, section 295.50, subdivision 7, is amended to read:

Subd. 7. [HOSPITAL.] "Hospital" is means a hospital licensed under chapter 144, or a hospital providing inpatient or outpatient services licensed by any other state or province or territory of Canada or a surgical center.

Sec. 4. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

Subd. 9a. [PATIENT SERVICES.] "Patient services" means inpatient and outpatient services including the following health care items and services:

- (1) bed and board;
- (2) nursing services and other related services;
- (3) use of hospital, surgical centers, or health care provider facilities;
- (4) medical social services;
- (5) drugs, biologicals, supplies, appliances, and equipment;
- (6) other diagnostic or therapeutic items or services;
- (7) medical or surgical services;
- (8) items and services furnished to ambulatory patients not requiring emergency care;
- (9) emergency services; and
- (10) covered services listed in section 256B.0625 and in Minnesota Rules, parts 9505.0170 to 9505.0475.

Sec. 5. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

Subd. 9b. [PERSON.] "Person" means an individual, partnership, limited liability company, corporation, association, governmental unit or agency, or public or private organization of any kind.

Sec. 6. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

Subd. 10a. [REGIONAL TREATMENT CENTER.] "Regional treatment center" means a regional center as defined in section 253B.02, subdivision 18, and named in sections 252.025, subdivision 1; 253.015, subdivision 1; 253.201; and 254.05.

Sec. 7. Minnesota Statutes 1992, section 295.51, subdivision 1, is amended to read:

Subdivision 1. [BUSINESS TRANSACTIONS IN MINNESOTA.] A hospital, *surgical center*, or health care provider is subject to tax under sections 295.50 to 295.58 if it is "transacting business in Minnesota." A hospital, *surgical center*, or health care provider is transacting business in Minnesota only if it:

(1) maintains an office in Minnesota *used in the trade or business of providing patient services*;

(2) has employees, representatives, or independent contractors conducting business in Minnesota *related to the trade or business of providing patient services*;

(3) regularly ~~sells covered~~ *provides patient services* to customers that receive the ~~covered~~ services in Minnesota;

(4) regularly solicits business from potential customers in Minnesota. *A hospital, surgical center, or health care provider is presumed to regularly solicit business within Minnesota if it receives gross receipts for patient services from 20 or more patients domiciled in Minnesota in a calendar year*;

(5) regularly performs services outside Minnesota the benefits of which are consumed in Minnesota;

(6) owns or leases tangible personal or real property physically located in Minnesota *and used in the trade or business of providing patient services*; or

(7) receives medical assistance payments from the state of Minnesota.

Sec. 8. Minnesota Statutes 1992, section 295.52, is amended by adding a subdivision to read:

*Subd. 1a. [SURGICAL CENTER TAX.] A tax is imposed on each surgical center equal to two percent of its gross revenues.*

Sec. 9. Minnesota Statutes 1992, section 295.52, is amended by adding a subdivision to read:

*Subd. 5. [REGIONAL TREATMENT CENTERS.] Regional treatment centers are not subject to tax under this section.*

Sec. 10. Minnesota Statutes 1992, section 295.53, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTIONS.] The following payments are excluded from the gross revenues subject to the hospital, *surgical center*, or health care provider taxes under sections 295.50 to 295.57:

(1) payments received ~~from the federal government~~ for services provided under the Medicare program, ~~excluding~~ *including payments received from the government, and Medicare coordinated health plans, and enrollee deductible deductibles, coinsurance, and coinsurance payments copayments. Payments representing supplemental coverage are not excluded*;

(2) medical assistance payments *including payments received directly from the government or from a prepaid plan*;

(3) payments received for ~~services performed by nursing homes licensed under chapter 144A, services provided in supervised living facilities and home health care services~~;

- (4) payments received from hospitals or surgical centers for goods and services that are subject to tax under section 295.52;
- (5) payments received from health care providers for goods and services that are subject to tax under section 295.52;
- (6) amounts paid for prescription drugs, other than nutritional products, to a wholesale drug distributor reduced by reimbursements received for prescription drugs under clauses (1), (2), (7), and (8);
- (7) payments received under the general assistance medical care program including payments received directly from the government or from a prepaid plan;
- (8) payments received for providing services under the health right MinnesotaCare program under Laws 1992, chapter 549, article 4 including payments received directly from the government or from a prepaid plan; and
- (9) payments received by a resident health care provider or the wholly owned subsidiary of a resident health care provider for care provided outside Minnesota to a patient who is not domiciled in Minnesota;
- (10) payments received from the chemical dependency fund under chapter 254B;
- (11) payments received in the nature of charitable donations that are not designated for providing patient services to a specific individual or group; and
- (12) payments received for providing patient services if the services are incidental to conducting medical research.

Sec. 11. Minnesota Statutes 1992, section 295.55, subdivision 4, is amended to read:

Subd. 4. [ELECTRONIC FUNDS TRANSFER PAYMENTS.] A taxpayer with an aggregate tax liability of ~~\$60,000~~ \$30,000 or more during a calendar quarter ending the last day of March, June, September, or December of the first year the taxpayer is subject to the tax must thereafter remit all liabilities by means of a funds transfer as defined in section 336.4A-104, paragraph (a), for the remainder of the year. A taxpayer with an aggregate tax liability of \$120,000 or more during a calendar year, must remit all liabilities by means of a funds transfer as defined in section 336.4A-104, paragraph (a), in the subsequent calendar year. The funds transfer payment date, as defined in section 336.4A-401, is on or before the date the tax is due. If the date the tax is due is not a funds-transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date is on or before the first funds-transfer business day after the date the tax is due.

Sec. 12. Minnesota Statutes 1992, section 295.58, is amended to read:

295.58 [DEPOSIT OF REVENUES AND PAYMENT OF REFUNDS.]

The commissioner shall deposit all revenues, including penalties and interest, derived from the taxes imposed by sections 295.50 to 295.57 and from the insurance premiums tax on health maintenance organizations and nonprofit health service corporations in the health care access fund in the state treasury. Refunds of overpayments must be paid from the health care access fund in the state treasury.

Sec. 13. [295.582] [AUTHORITY.]

*A hospital, health care provider, or surgical center that is subject to a tax under section 295.52 may transfer additional expenses generated by section 295.52 obligations on to third party contracts regulated under chapter 60A, 62A, 62C, 62D, 62H, or 64B for the purchase of health care services on behalf of a patient or consumer. The expense must not exceed two percent of the gross revenues received under the third party contract, including copayments and deductibles paid by the individual patient or consumer. The expense must not be generated on revenues derived from payments that are excluded from the tax under section 295.53. Such third party purchasers must pay the transferred expense in addition to any payments due under existing or future contracts with the hospital, health care provider, or surgical center. Nothing in this subdivision limits the ability of a hospital, health care provider, or surgical center to recover all or part of the section 295.52 obligation by other methods, including increasing fees or charges.*

Sec. 14. Minnesota Statutes 1992, section 295.59, is amended to read:

295.59 [SEVERABILITY.]

If any section, subdivision, clause, or phrase of sections 295.50 to ~~295.58~~ 295.582 is for any reason held to be unconstitutional or in violation of federal law, the decision shall not affect the validity of the remaining portions of sections 295.50 to ~~295.58~~ 295.582. The legislature declares that it would have passed sections 295.50 to ~~295.58~~ 295.582 and each section, subdivision, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subdivisions, sentences, clauses, or phrases is declared unconstitutional.

Sec. 15. [APPROPRIATION.]

*Notwithstanding Laws 1992, chapter 549, article 10, section 1, subdivision 1, the amount appropriated to the commissioner of revenue in Laws 1992, subdivision 8 of that section is available until June 30, 1994.*

Sec. 16. [REPEALER.]

*Minnesota Statutes 1992, section 295.50, subdivision 10, is repealed.*

*Minnesota Statutes 1992, section 295.51, subdivision 2, is repealed.*

*Laws 1992, chapter 549, article 9, section 19, subdivision 2, is repealed.*

Sec. 17. [EFFECTIVE DATES.]

*Sections 1; 3; 4, clauses (1) to (9); 6 to 10; and 12 are effective retroactively to gross revenues generated by services performed and goods sold after December 31, 1992.*

*Sections 4, clause (10), and 11 are effective for services performed and goods sold after December 31, 1993.*

*Sections 2, 5, 13, 14, and 15 are effective the day following final enactment.*

ARTICLE 15

APPROPRIATIONS

Section 1. [APPROPRIATION.]

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for adopting rules under this act for the biennium ending June 30, 1995.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for the biennium ending June 30, 1995, to implement the data collection initiatives required by sections 62J.36 to 62J.44.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health to implement and monitor the voluntary cost control program in article 4, to be available until June 30, 1995.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for statewide consumer education and wellness programs.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for initiatives to improve birth outcomes, including smoking cessation methods, chlamydia screening efforts, and expanding funding for the women's; infant, and children program.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for improved childhood immunization, including promoting providers' adherence to pediatric immunization standards, outreach, tracking, and follow-up activities.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for operation of the integrated service network technical assistance program provided under article 1.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for operation of the integrated service network loan program provided under article 1.*

*\$. . . . . is appropriated from the health care access fund to the regional coordinating boards for the biennium ending July 1, 1995, for the purposes of Minnesota Statutes, section 62J.09, subdivision 1a."*

Delete the title and insert:

"A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3,732, subdivision 1; 60A.02, subdivision 1a; 62A.021, subdivision 1; 62A.65; 62C.16, by adding a subdivision; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivi-

sions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, and 7; 62J.33; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 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.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 976: A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as private and nonpublic; classifying certain licensing data, security service data, motor carrier operating data, and retirement data; amending Minnesota Statutes 1992, sections 13.32, subdivision 1; 13.41, subdivision 4; 13.42, subdivision 2; 13.46, subdivision 4; 13.643, by adding a subdivision; 13.72, by adding a subdivision; and 13.82, subdivisions 6 and 10; proposing coding for new law in Minnesota Statutes, chapter 13.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

.. “Section 1. [6.715] [CLASSIFICATION OF STATE AUDITOR’S DATA.]

*Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, “audit” means an examination, financial audit, compliance audit, or investigation performed by the state auditor.*

*(b) The definitions in section 13.02 apply to this section.*

*Subd. 2. [CLASSIFICATION.] Data relating to an audit are protected nonpublic data or confidential data on individuals, until the final report of the audit has been published or the audit is no longer being actively pursued. Data that support the conclusions of the report and that the state auditor reasonably believes will result in litigation are protected nonpublic data or confidential data on individuals, until the litigation has been completed or is no longer being actively pursued. Data on individuals that could reasonably be used to determine the identity of an individual supplying data for an audit are private if the data supplied by the individual were needed for an audit and the individual would not have provided the data to the state auditor without an assurance that the individual’s identity would remain private, or the state auditor reasonably believes that the subject would not have provided the data.*



*Data that could reasonably be used to determine the identity of an individual supplying data pursuant to section 609.456 are private.*

*Subd. 3. [LAW ENFORCEMENT.] Notwithstanding any provision to the contrary in subdivision 2, the state auditor may share data relating to an audit with appropriate local law enforcement agencies.*

Sec. 2. Minnesota Statutes 1992, section 13.32, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "Educational data" means data on individuals maintained by a public educational agency or institution or by a person acting for the agency or institution which relates to a student.

Records of instructional personnel which are in the sole possession of the maker thereof and are not accessible or revealed to any other individual except a substitute teacher, and are destroyed at the end of the school year, shall not be deemed to be government data.

Records of a law enforcement unit of a public educational agency or institution which are maintained apart from education data and are maintained solely for law enforcement purposes, and are not disclosed to individuals other than law enforcement officials of the jurisdiction are ~~confidential~~ *not educational data*; provided, that education records maintained by the educational agency or institution are not disclosed to the personnel of the law enforcement unit. *The University of Minnesota police department is a law enforcement agency for purposes of section 13.82 and other sections dealing with law enforcement records. Records of organizations providing security services to a public educational agency or institution must be administered consistent with section 13.861.*

Records relating to a student who is employed by a public educational agency or institution which are made and maintained in the normal course of business, relate exclusively to the individual in that individual's capacity as an employee; and are not available for use for any other purpose are classified pursuant to section 13.43.

(b) "Student" means an individual currently or formerly enrolled or registered, applicants for enrollment or registration at a public educational agency or institution, or individuals who receive shared time educational services from a public agency or institution.

(c) "Substitute teacher" means an individual who performs on a temporary basis the duties of the individual who made the record, but does not include an individual who permanently succeeds to the position of the maker of the record.

Sec. 3. Minnesota Statutes 1992, section 13.41, subdivision 4, is amended to read:

Subd. 4. [PUBLIC DATA.] Licensing agency minutes, application data on licensees, orders for hearing, findings of fact, conclusions of law and specification of the final disciplinary action contained in the record of the disciplinary action are classified as public, pursuant to section 13.02, subdivision 15. The entire record concerning the disciplinary proceeding is public data pursuant to section 13.02, subdivision 15, in those instances where there is a public hearing concerning the disciplinary action. *If the*

*licensee and the licensing agency agree to resolve a complaint without a hearing, the agreement and the specific reasons for the agreement are public data. The license numbers, the license status, and continuing education records issued or maintained by the board of peace officer standards and training are classified as public data, pursuant to section 13.02, subdivision 15.*

Sec. 4. Minnesota Statutes 1992, 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; the final disposition of any disciplinary action together with the specific reasons for the action and 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~~ *any dispute arising out of the employment relationship*; 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.

(c) The state agency, statewide system, or political subdivision may display a photograph of a current or former employee to a prospective witness as part of the state agency's, statewide system's, or political subdivision's investigation of any complaint or charge against the employee.

Sec. 5. Minnesota Statutes 1992, section 13.43, is amended by adding a subdivision to read:

Subd. 8. [HARASSMENT DATA.] *When allegations of sexual or other types of harassment are made against an employee, the employee does not have access to data that would identify the complainant or other witnesses if the responsible authority determines that the employee's access to that data would:*

(1) *threaten the personal safety of the complainant or a witness; or*

(2) *subject the complainant or witness to harassment.*

Sec. 6. Minnesota Statutes 1992, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) pursuant to section 13.05;
- (2) pursuant to court order;
- (3) pursuant to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;
- (9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system, and to verify receipt of energy assistance for the telephone assistance plan;
- (10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;
- (11) data maintained by residential facilities as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;
- (12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person; or
- (13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education coordinating board to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5); or

(14) participant social security numbers and names collected by the telephone assistance program may be disclosed to the department of revenue to conduct an electronic data match with the property tax refund data base to determine eligibility under section 237.70, subdivision 4a.

(b) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 7. Minnesota Statutes 1992, 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 *on current and former licensees* are public: name, address, telephone number of licensees, licensed capacity, type of client preferred, variances granted, type of dwelling, name and relationship of other family members, previous license history, class of license, and the existence and status of complaints. When disciplinary action has been taken against a licensee or the complaint is resolved, the following data are public: the substance of the complaint, the findings of the investigation of the complaint, the record of informal resolution of a licensing violation, orders of hearing, findings of fact, 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, 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.

Sec. 8. [13.63] [MINNEAPOLIS EMPLOYEES RETIREMENT FUND DATA.]

*Subdivision 1. [BENEFICIARY AND SURVIVOR DATA.] The following data on beneficiaries and survivors of Minneapolis employees retirement fund members are private data on individuals: home address, date of birth, direct deposit account number, and tax withholding data.*

*Subd. 2. [LIMITS ON DISCLOSURE.] Required disclosure of data about members, survivors, and beneficiaries is limited to name, gross pension, and type of benefit awarded.*

Sec. 9. Minnesota Statutes 1992, section 13.643, is amended to read:

13.643 [DEPARTMENT OF AGRICULTURE DATA.]

*Subdivision 1. [SUSTAINABLE AGRICULTURE DATA.] The following data on applicants, collected by the department of agriculture in its sustainable agriculture revolving loan and grant programs under sections 17.115 and 17.116, are private or nonpublic: nonfarm income; credit history; insurance coverage; machinery and equipment list; financial information; and credit information requests.*

*Subd. 2. [FARM ADVOCATE DATA.] The following data supplied by farmer clients to Minnesota farm advocates and to the department of agriculture are private data on individuals: financial history, including listings of assets and debts, and personal and emotional status information.*

Sec. 10. Minnesota Statutes 1992, section 13.72, is amended by adding a subdivision to read:

*Subd. 8. [MOTOR CARRIER OPERATING DATA.] The following data submitted by Minnesota intrastate motor carriers to the department of transportation are nonpublic data: all payroll reports including wages, hours or miles worked, hours earned, employee benefit data and terminal and route specific operating data including percentage of revenues paid to agent operated terminals, line-haul load factors, pickup and delivery (PUD) activity, and peddle driver activity.*

Sec. 11. Minnesota Statutes 1992, section 13.792, is amended to read:

13.792 [MINNESOTA ZOOLOGICAL GARDEN PRIVATE DONOR GIFT DATA.]

The following data maintained by the Minnesota zoological garden, a community college, a technical college, the University of Minnesota, a Minnesota state university, and any related entity subject to chapter 13 are classified as private or nonpublic:

(1) research information about prospects and donors gathered to aid in determining appropriateness of solicitation and level of gift request;

(2) specific data in prospect lists that would identify prospects to be solicited, dollar amounts to be requested, and name of solicitor;

(3) portions of solicitation letters and proposals that identify the prospect being solicited and the dollar amount being requested;

(4) letters, pledge cards, and other responses received from *donors regarding prospective donors gifts* in response to solicitations;

(5) portions of thank-you letters and other gift acknowledgment communications that would identify the name of the donor and the specific amount of the gift, pledge, or pledge payment; and

(6) *donor financial or estate planning information, or portions of memoranda, letters, or other documents commenting on any donor's financial circumstances; and*

(7) data detailing dates of gifts, *payment schedule of gifts, form of gifts,* and specific gift amounts made by donors to the Minnesota zoo.

Names of donors and gift ranges are public data.

Sec. 12. Minnesota Statutes 1992, section 13.82, subdivision 6, is amended to read:

Subd. 6. [ACCESS TO DATA FOR CRIME VICTIMS.] *On receipt of a written request, the prosecuting authority shall release investigative data collected by a law enforcement agency to the victim of a criminal act or alleged criminal act or to the victim's legal representative upon written request unless the prosecuting authority reasonably believes:*

(a) That the release of that data will interfere with the investigation; or

(b) That the request is prompted by a desire on the part of the requester to engage in unlawful activities.

Sec. 13. Minnesota Statutes 1992, section 13.82, subdivision 10, is amended to read:

Subd. 10. [PROTECTION OF IDENTITIES.] A law enforcement agency or a law enforcement dispatching agency working under direction of 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;

(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.

(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; or

(f) when access to the data would reveal the identity of a person who placed a call to a 911 system or the identity or telephone number of a service subscriber whose phone is used to place a call to the 911 system and: (1) the agency determines that revealing the identity may threaten the personal safety or property of any person; or (2) the object of the call is to receive help in a mental health emergency. For the purposes of this paragraph, a voice recording of a call placed to the 911 system is deemed to reveal the identity of the caller. *Data concerning individuals whose identities are protected by this subdivision are private data about those individuals. Law enforcement agencies shall establish procedures to acquire the data and make the decisions necessary to protect the identity of individuals described in clause (d).*

Sec. 14. [13.861] [SECURITY SERVICE DATA.]

*Subdivision 1. [DEFINITIONS.] As used in this section:*

(a) *"Security service" means an organization that provides security services to a state agency or political subdivision as a part of the governmental entity or under contract to it. Security service does not include a law enforcement agency.*

(b) *"Security service data" means data collected, created, or maintained by a security service for the purpose of providing security services.*

*Subd. 2. [CLASSIFICATION.] Security service data that are similar to the data described as request for service data and response or incident data in section 13.82, subdivisions 3 and 4, are public. If personnel of a security service make a citizen's arrest, security service data that are similar to the data described as arrest data in section 13.82, subdivision 2, are public. If a security service participates in but does not make an arrest it shall, upon request, provide data that identify the arresting law enforcement agency. All other security service data are security information under section 13.37.*

Sec. 15. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 3a. [STATE AUDITOR DATA.] Data relating to an audit under chapter 6 are classified under section 1.*

Sec. 16. Minnesota Statutes 1992, section 13.99, subdivision 24, is amended to read:

*Subd. 24. [SOLID WASTE FACILITY RECORDS.] (a) Records of solid waste facilities received, inspected, or copied by a county pursuant to section 115A.882 are classified pursuant to section 115A.882, subdivision 3.*

*(b) Customer lists provided to counties or cities by solid waste collectors are classified under section 115A.93.*

Sec. 17. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 92a. [GAMBLING ENFORCEMENT INVESTIGATIVE DATA.] Data provided to the director of the division of gambling enforcement by a*

*governmental entity located outside Minnesota for use in an authorized investigation, audit, or background check are governed by section 299L.03, subdivision 11.*

Sec. 18. Minnesota Statutes 1992, section 115A.93, is amended by adding a subdivision to read:

*Subd. 5. [CUSTOMER DATA.] Customer lists provided to counties or cities by solid waste collectors are private data on individuals as defined in section 13.02, subdivision 12, with regard to data on individuals, or nonpublic data as defined in section 13.02, subdivision 9, with regard to data not on individuals.*

Sec. 19. Minnesota Statutes 1992, section 144.335, subdivision 3a, is amended to read:

**Subd. 3a. [PATIENT CONSENT TO RELEASE OF RECORDS; LIABILITY.]** (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release, unless the release is specifically authorized by law. Except as provided in paragraph (c), a consent is valid for one year or for a lesser period specified in the consent or for a different period provided by law.

(b) This subdivision does not prohibit the release of health records for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency.

(c) Notwithstanding paragraph (a), if a patient explicitly gives informed consent to the release of health records for the purposes and pursuant to the restrictions in clauses (1) and (2), the consent does not expire after one year for:

(1) the release of health records to a provider who is being advised or consulted with in connection with the current treatment of the patient;

(2) the release of health records to an accident and health insurer, health service plan corporation, health maintenance organization, or third-party administrator for purposes of payment of claims, fraud investigation, or quality of care review and studies, provided that:

(i) the use or release of the records complies with sections 72A.49 to 72A.505;

(ii) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited; and

(iii) the recipient establishes adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient.

(d) Until June 1, 1994, paragraph (a) does not prohibit the release of health records to qualified personnel solely for purposes of medical or scientific research, if the patient has not objected to a release for research purposes and the provider who releases the records makes a reasonable effort to determine that:



(i) the use or disclosure does not violate any limitations under which the record was collected;

(ii) the use or disclosure in individually identifiable form is necessary to accomplish the research or statistical purpose for which the use or disclosure is to be made;

(iii) the recipient has established and maintains adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient; and

(iv) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited.

(e) A person who negligently or intentionally releases a health record in violation of this subdivision, or who forges a signature on a consent form, or who obtains under false pretenses the consent form or health records of another person, or who, without the person's consent, alters a consent form, is liable to the patient for compensatory damages caused by an unauthorized release, plus costs and reasonable attorney's fees.

(f) *Upon the written request of a spouse, parent, child, or sibling of a patient being evaluated for or diagnosed with mental illness, a provider shall inquire of a patient whether the patient wishes to authorize a specific individual to receive information regarding the patient's current and proposed course of treatment. If the patient so authorizes, the provider shall communicate to the designated individual the patient's current and proposed course of treatment. Paragraph (a) applies to consents under this paragraph.*

**Sec. 20. [144.6581] [DETERMINATION OF WHETHER DATA IDENTIFIES INDIVIDUALS.]**

*The commissioner of health may: (1) withhold access to health or epidemiologic data if the commissioner determines the data are data on an individual, as defined in section 13.02, subdivision 5; or (2) grant access to health or epidemiologic data, if the commissioner determines the data are summary data as defined in section 13.02, subdivision 19. In the exercise of this discretion, the commissioner shall consider whether the data requested, alone or in combination, may constitute information from which an individual subject of data may be identified using epidemiologic methods. In making this determination, the commissioner shall consider disease incidence, associated risk factors for illness, and similar factors unique to the data by which it could be linked to a specific subject of the data. This discretion is limited to health or epidemiologic data maintained by the commissioner of health or a board of health, as defined in section 145A.02.*

Sec. 21. Minnesota Statutes 1992, section 270B.12, is amended by adding a subdivision to read:

*Subd. 9. [COUNTY ASSESSORS.] If, as a result of an audit, the commissioner determines that a person is a Minnesota nonresident or part-year resident for income tax purposes, the commissioner may disclose the person's name, address, and social security number to the assessor of any political subdivision in the state, when there is reason to believe that the person may have claimed or received homestead property tax benefits for a corresponding assessment year in regard to property apparently located in the assessor's jurisdiction.*

Sec. 22. Minnesota Statutes 1992, section 270B.14, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURE TO COMMISSIONER OF HUMAN SERVICES.] (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) *On the request of the commissioner of human services, the commissioner of revenue may verify participant social security numbers and names that match those from the telephone assistance program for property tax refund filers to determine eligibility for the telephone assistance plan under section 237.70, subdivision 4a.*

Sec. 23. Minnesota Statutes 1992, section 270B.14, subdivision 8, is amended to read:

Subd. 8. [EXCHANGE BETWEEN DEPARTMENTS OF LABOR AND INDUSTRY AND REVENUE.] ~~Notwithstanding any law to the contrary, The departments of labor and industry and revenue may exchange information on a reciprocal basis. Data that may be disclosed are limited to data used in determining whether a business is an employer or a contracting agent, as follows:~~

(1) *data used in determining whether a business is an employer or a contracting agent;*

(2) *taxpayer identity information relating to businesses for purposes of supporting tax administration and chapter 176; and*

(3) *data to the extent provided in and for the purpose set out in section 176.181, subdivision 8.*

Sec. 24. Minnesota Statutes 1992, section 299L.03, is amended by adding a subdivision to read:

Subd. 11. [DATA CLASSIFICATION.] *Data provided to the director, by a governmental entity located outside Minnesota for use in an authorized investigation, audit, or background check, has the same data access classification or restrictions on access, for the purposes of chapter 13, that it had in the entity providing it. If the classification or restriction on access in the entity providing the data is less restrictive than the Minnesota data classification, the Minnesota classification applies.*

*Data classified as not public by this section are only discoverable as follows:*

- (1) the data are subject to discovery in a legal proceeding; and*
- (2) the data are discoverable in a civil or administrative proceeding if the subject matter of the proceeding is a final agency decision adverse to the party seeking discovery of the data.*

Sec. 25. Minnesota Statutes 1992, section 471.705, subdivision 1d, is amended 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 state agency, statewide system, or political subdivision; 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.

(f) *Notwithstanding paragraph (b) or (c), a peace officer civilian review authority that reviews civilian complaints about alleged peace officer mis-*

*conduct may allow the complainant to attend the evidentiary hearing on the complaint, subject to the authority of the chair of the hearing panel to exclude a complainant who will be a witness from being present during the testimony of other witnesses until the complainant has testified. The civilian review authority may allow the complainant to be accompanied during the hearing by supportive persons chosen by the complainant, subject to restrictions imposed by the chair of the hearing panel in the interest of fairness to limit the number of persons accompanying the complainant and the peace officer who is the subject of the complaint.*

Sec. 26. Minnesota Statutes 1992, 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, *including county medical examiners or county coroners*. Section 13.82, subdivisions 5, 5a, and 5b, apply to law enforcement data other than the reports. The welfare board shall make available to the investigating, petitioning, or prosecuting authority, *including county medical examiners or county coroners*, 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. 27. [EFFECTIVE DATE.]

*Sections 16 and 18 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to data practices; providing for the collection, classification, and dissemination of data; proposing classifications of data as private and nonpublic; modifying provisions related to medical data; amending Minnesota Statutes 1992, sections 13.32, subdivision 1; 13.41, subdivision 4; 13.43, subdivision 2, and by adding subdivisions; 13.46, subdivisions

2 and 4; 13.643, by adding a subdivision; 13.72, by adding a subdivision; 13.792; 13.82, subdivisions 6 and 10; 13.99, subdivision 24, and by adding a subdivision; 115A.93, by adding a subdivision; 144.335, subdivision 3a; 270B.12, by adding a subdivision; 270B.14, subdivisions 1 and 8; 299L.03, by adding a subdivision; 471.705, subdivision 1d; and 626.556, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 6; 13; and 144.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1306: A bill for an act relating to agriculture; making changes in the laws on pesticides and agricultural chemicals; amending Minnesota Statutes 1992, sections 18B.01, by adding subdivisions; 18B.14, subdivision 2; 18B.31, subdivision 1; 18B.36, subdivision 2; 18B.37, subdivision 2; 18C.005, subdivisions 13 and 35; 18C.115, subdivision 2; 18C.211, subdivision 1; 18C.215, subdivision 2; and 18C.305, subdivision 2; repealing Minnesota Statutes 1992, sections 18B.07, subdivision 3; 18C.211, subdivision 3; and 18C.215, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, after line 13, insert:

“Sec. 13. Minnesota Statutes 1992, section 18D.103, is amended by adding a subdivision to read:

*Subd. 3. [EXCEPTION.] A responsible party or an owner of real property is not required to report an incident to the commissioner under this section if the amount of pesticide involved in the release is less than the maximum amount of the pesticide that, consistent with its label, can be applied to one acre of agricultural crop land unless the release occurred into or near public water or groundwater.*

Sec. 14. Minnesota Statutes 1992, section 18D.105, is amended by adding a subdivision to read:

*Subd. 3a. [PASSIVE BIOREMEDIATION.] Passive bioremediation must be used for pesticide cleanups whenever an assessment of the site determines that there is a low potential risk to public health and the environment. The assessment may include the soil types involved, leeching potential, underlying geology, proximity to ground and surface water, and the soil half-life of the pesticides.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete “and” and after the second semicolon, insert “18D.103, by adding a subdivision; and 18D.105, by adding a subdivision;”

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 596: A bill for an act relating to the city of Minneapolis; permitting the city to license certain liquor sales.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1297: A bill for an act relating to occupations and professions; board of architecture, engineering, land surveying, landscape architecture, and certified interior designer; establishing a procedure for issuance, denial, revocation, and suspension of licenses; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 326.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 19, delete "have" and insert "has"

Page 5, line 20, delete "result" and insert "resulted"

And when so amended the bill do pass. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 510, 105, 784, 585, 1108, 607, 681, 58, 536, 1264, 397, 955, 953, 885, 142, 598, 1315, 1006, 1244, 1311, 976, 596 and 1297 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 57, 385, 552, 111 and 576 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Larson moved that the name of Mr. Bertram be added as a co-author to S.F. No. 555. The motion prevailed.

Ms. Berglin moved that the name of Mr. Sams be added as a co-author to S.F. No. 690. The motion prevailed.

Ms. Berglin moved that the names of Messrs. Riveness and Hottinger be added as co-authors to S.F. No. 781. The motion prevailed.

Mr. Morse moved that the name of Mr. Marty be added as a co-author to S.F. No. 875. The motion prevailed.

Mr. Kelly moved that the name of Mr. Beckman be added as a co-author to S.F. No. 958. The motion prevailed.

Mr. Stumpf moved that his name be stricken as a co-author to S.F. No. 1162. The motion prevailed.

Mr. Benson, D.D. moved that the name of Mr. Metzen be added as a co-author to S.F. No. 1162. The motion prevailed.

Mr. Luther moved that the name of Mr. Johnson, D.E. be added as a co-author to S.F. No. 1232. The motion prevailed.

Ms. Krentz moved that the name of Mr. Stevens be added as a co-author to S.F. No. 1242. The motion prevailed.

Mr. Pogemiller moved that the name of Mr. Murphy be added as a co-author to S.F. No. 1260. The motion prevailed.

Mr. Sams moved that his name be stricken as a co-author to S.F. No. 1330. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Morse be added as a co-author to S.F. No. 1402. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Price be added as a co-author to S.F. No. 1407. The motion prevailed.

Mr. Finn moved that S.F. No. 1067 be withdrawn from the Committee on Metropolitan and Local Government and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Ms. Ranum moved that S.F. No. 1272 be withdrawn from the Committee on Education and re-referred to the Committee on Governmental Operations and Reform. 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. Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1436: A bill for an act relating to utilities; requiring municipality to petition public utilities commission before it may furnish electric service while eminent domain proceedings are pending to acquire electric utility; amending Minnesota Statutes 1992, section 216B.47.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1437: A bill for an act relating to utilities; requiring cooperative electric associations and municipal utilities to comply with standards set by public utilities commission relating to electrical current or voltage; amending Minnesota Statutes 1992, section 216B.09.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1438: A bill for an act relating to data privacy; protecting identity of employee or customer of utility or telephone company who reports violation; amending Minnesota Statutes 1992, section 13.692.

Referred to the Committee on Judiciary.

Mr. Novak and Ms. Johnson, J.B. introduced—

S.F. No. 1439: A bill for an act relating to utilities; providing that primary fuel source determines whether power generating plant is a large energy facility for purposes of certificate of need process; amending Minnesota Statutes 1992, section 216B.2421, subdivision 2, and by adding a subdivision.

Referred to the Committee on Jobs, Energy and Community Development.

Mrs. Pariseau introduced—

S.F. No. 1440: A bill for an act relating to health care; allowing all providers to participate in health policies, plans, and contracts under certain conditions; requiring the commissioner of health to establish uniform claims forms and uniform billing and record keeping practices; amending Minnesota Statutes 1992, sections 43A.23, subdivision 1; 62C.02, subdivision 10; 62D.02, subdivision 12; and 72A.20, subdivision 15; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health Care.

Ms. Pappas introduced—

S.F. No. 1441: A bill for an act relating to Ramsey county; providing for functional consolidation of streets, highways, and roads in Ramsey county; providing for state-aid funding; amending Minnesota Statutes 1992, sections 162.09, by adding a subdivision; and 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

Referred to the Committee on Transportation and Public Transit.

Ms. Runbeck, Messrs. Riveness, Terwilliger, Ms. Wiener and Mr. Frederickson introduced—

S.F. No. 1442: A bill for an act relating to telecommunications; directing commissioner of administration to supervise and control state telecommunication facility transmissions by fiber optic cable or satellite; allowing statewide telecommunications access routing system (STARS) to serve nonpublic entities doing business with the state; providing for representation by regional telecommunications development councils on the STARS advisory council; directing commissioner to require use of STARS where feasible; requiring commissioner's approval before state or public entity may develop separate telecommunications network; exempting sale of STARS services to certain purchasers from general sales tax; appropriating money; amending Minnesota Statutes 1992, sections 16B.46; 16B.465; and 297A.25, by adding a subdivision.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Mondale, Pogemiller, Ms. Hanson, Messrs. Janezich and McGowan introduced—

S.F. No. 1443: A bill for an act relating to education; making educational policies negotiable terms and conditions of employment for professional employees; amending Minnesota Statutes 1992, sections 179A.03, subdivision 19; and 179A.07, subdivision 1.



Referred to the Committee on Education.

Mr. Chandler introduced—

S.F. No. 1444: A bill for an act relating to occupations and professions; requiring roofers to be licensed by the state; amending Minnesota Statutes 1992, sections 326.83, subdivisions 8 and 10; 326.89, subdivision 3, and by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Hottinger introduced—

S.F. No. 1445: A bill for an act relating to human services; establishing a program at the St. Peter regional treatment center for persons committed as psychopathic personalities; authorizing capital spending; authorizing issuance of bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 253.

Referred to the Committee on Health Care.

Mr. Luther introduced—

S.F. No. 1446: A bill for an act relating to insurance; regulating investments, assets and liabilities, and annual statements of companies; providing for continuance of coverage upon liquidation; modifying the definition of resident for purposes of the Minnesota insurance guaranty association; regulating dividends and other distributions of insurance holding company systems; regulating risk retention groups; enacting the NAIC model legislation; amending Minnesota Statutes 1992, sections 60A.11, subdivision 9; 60A.12, subdivision 3; 60A.13, subdivisions 1 and 6; 60A.23, subdivision 4; 60B.22, subdivision 1; 60C.03, subdivision 7; 60D.20, subdivisions 2 and 4; 60E.01; 60E.02, subdivisions 9 and 12; 60E.03; 60E.04, subdivisions 1, 2, 3, 4, 7, 8, 11, and by adding a subdivision; 60E.05; 60E.07; 60E.08; 60E.09; 60E.10; 60E.12; and 60E.13; proposing coding for new law in Minnesota Statutes, chapters 60A and 60E; repealing Minnesota Statutes 1992, sections 60A.07, subdivision 5d; 60A.12, subdivision 10; 60B.24; and 60E.11.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Solon, Ms. Wiener and Mr. Metzen introduced—

S.F. No. 1447: A bill for an act relating to insurance; establishing and regulating the life and health guaranty association; providing for its powers and duties; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 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.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Cohen introduced—

S.F. No. 1448: A bill for an act relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institu-

tionalized persons; amending Minnesota Statutes 1992, sections 525.54, subdivision 3; 525.58, subdivision 4; and 525.703, subdivisions 2 and 3.

Referred to the Committee on Judiciary.

Messrs. Riveness, Terwilliger, Metzen, Ms. Wiener and Mr. Hottinger introduced—

S.F. No. 1449: A bill for an act relating to state government; establishing an innovative program initiative to encourage innovation in state agencies; permitting waivers from certain statutes, rules, policies, and procedures; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations and Reform.

Mr. Benson, D.D.; Mrs. Benson, J.E.; Ms. Kiscaden and Mr. Sams introduced—

S.F. No. 1450: A bill for an act relating to health; requiring the department of health to prepare a plan and proposed legislation authorizing medical care savings accounts.

Referred to the Committee on Health Care.

Mr. Benson, D.D.; Mrs. Benson, J.E.; Ms. Kiscaden and Mr. Sams introduced—

S.F. No. 1451: A bill for an act relating to health care; allowing the state to temporarily authorize medical care savings accounts for covered employees.

Referred to the Committee on Health Care.

Ms. Reichgott, Mr. Marty and Ms. Runbeck introduced—

S.F. No. 1452: A bill for an act relating to education; establishing a pilot project for change-oriented schools.

Referred to the Committee on Education.

Ms. Piper, Messrs. Sams, Marty and Ms. Anderson introduced—

S.F. No. 1453: A bill for an act relating to insurance; the comprehensive health association; modifying the funding mechanism of the association; granting eligibility for certain employees and dependents; amending Minnesota Statutes 1992, sections 62A.17, subdivision 4, and by adding a subdivision; 62A.20, by adding a subdivision; 62A.21, by adding a subdivision; 62E.02, subdivisions 2, 8, 13, and by adding a subdivision; 62E.11, subdivision 2, and by adding a subdivision; 62E.14, subdivision 3; 62E.141; 62L.03, subdivision 6; 62L.12, subdivisions 3 and 4; and 363.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62E.

Referred to the Committee on Health Care.

Ms. Flynn, Mrs. Adkins, Ms. Pappas, Mr. Mondale and Ms. Robertson introduced—

S.F. No. 1454: A bill for an act relating to metropolitan government; providing for an advisory council on metropolitan governance.

Referred to the Committee on Metropolitan and Local Government.

Mr. Hottinger, Mses. Pappas, Flynn, Ranum and Krentz introduced—

S.F. No. 1455: A resolution memorializing the President and Congress to establish new priorities in spending and budgeting policies.

Referred to the Committee on Veterans and General Legislation.

Ms. Kiscaden, Messrs. Hottinger; Benson, D.D.; Chandler and Ms. Krentz introduced—

S.F. No. 1456: A bill for an act relating to state government; requiring certain agencies to prepare legislation implementing the recommendations of the commission on reform and efficiency concerning health and human services; providing for more effective delivery of health and human services through the consolidation and coordination of state health and human services programs; reorganizing and restructuring state agencies and departments; creating the office of secretary of health and human services; amending Minnesota Statutes 1992, sections 15.06, subdivision 1; and 15A.081, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 4B.

Referred to the Committee on Health Care.

Mr. Benson, D.D. introduced—

S.F. No. 1457: A bill for an act relating to state trails; extending the Blufflands trail system to additional cities; amending Minnesota Statutes 1992, section 85.015, subdivision 7.

Referred to the Committee on Environment and Natural Resources.

Mr. Benson, D.D. introduced—

S.F. No. 1458: A bill for an act relating to state government; providing for more effective delivery of environmental services through the consolidation and coordination of state environmental and natural resource programs; reorganizing and restructuring state agencies and departments; creating the office of secretary of the environment; creating the citizen advisory board on the environment; creating the department of environmental protection; renaming the department of natural resources the department of resource management and adding powers and duties; renaming the board of water and soil resources the local government advisory board on environmental services, specifying its duties, and transferring the powers and duties of the former board; transferring all the powers and duties of the environmental quality board, the pollution control agency, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, and abolishing these agencies; transferring certain powers and duties of the departments of commerce, health, trade and economic development, and natural resources; authorizing certain studies; amending Minnesota Statutes 1992, sections 15.01; 15.06, subdivision 1; 15A.081, subdivision 1; 16B.37, subdivision 2; 84.01, subdivisions 1, 2, and 3; 84.027, by adding a subdivision; 84.028, subdivision 3; 84.081, subdivision 1; 103B.101, subdi-

visions 1, 2, 5, 7, 8, and 9; 103B.3355; 103D.101, subdivision 2; 115B.25, subdivision 2; 115B.28, subdivisions 1 and 4; 115B.35, subdivisions 1, 4, 5, and 6; 115C.07, subdivision 3; 115C.10, subdivision 1; 116.01; 116.02, subdivision 5; 116.03, subdivisions 1 and 2; 144.871, subdivision 5; and 326.71, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 4B; and 116; repealing Minnesota Statutes 1992, sections 84.083, subdivisions 2 and 3; 103B.101, subdivisions 3, 4, 10, and 11; 115A.03, subdivisions 8a and 22a; 115A.055; 115B.27; 115C.07, subdivisions 1 and 2; 115D.03, subdivision 4; 116.02, subdivisions 1, 2, 3, and 4; 116.03, subdivision 6; 116.04; 116C.03; 116C.22; 116C.23; 116C.24; 116C.25; 116C.26; 116C.27; 116C.28; 116C.29; 116C.30; 116C.31; 116C.32; 116C.33; and 116C.34.

Referred to the Committee on Environment and Natural Resources.

Mses. Runbeck, Hanson, Mr. Oliver and Ms. Krentz introduced—

S.F. No. 1459: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

Referred to the Committee on Rules and Administration.

Mr. Knutson, Mses. Anderson, Robertson and Mr. Murphy introduced—

S.F. No. 1460: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

Referred to the Committee on Rules and Administration.

Ms. Wiener, Messrs. Chandler, Dille and Stevens introduced—

S.F. No. 1461: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

Referred to the Committee on Rules and Administration.

Mr. Betzold, Mses. Kiscaden and Lesewski introduced—

S.F. No. 1462: A bill for an act relating to state government; making certain telephone records and budgets public information; amending Minnesota Statutes 1992, section 3.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3; and 10.

Referred to the Committee on Rules and Administration.

Messrs. Stumpf, Oliver and Stevens introduced—

S.F. No. 1463: A bill for an act relating to state government; administrative rulemaking; changing the membership and duties of the LCRAR; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; authorizing agencies to adopt substantially different

rules in certain circumstances; regulating notices of intent to solicit outside opinion, statements of need and reasonableness, and public hearing requirements; authorizing the governor to disapprove rules adopted after public hearing; eliminating the requirement that agencies review their rules and consider methods to reduce their impact on small business; appropriating money; amending Minnesota Statutes 1992, sections 3.841; 3.842, subdivision 5; 14.05, subdivision 2, and by adding a subdivision; 14.08; 14.09; 14.10; 14.115, subdivision 5; 14.131; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.23; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.32; 14.33; 14.34; 14.365; 14.47, subdivision 6; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Stumpf and Pogemiller introduced—

S.F. No. 1464: A bill for an act relating to education; updating, changing, and financing various programs; appropriating money; amending Minnesota Statutes 1992, sections 121.87, subdivision 1; 121.88, subdivision 10; 123.38, subdivisions 2 and 2b; 123.951; 124.19, subdivision 5; 124.195, subdivision 10; 124.225, subdivisions 1 and 10; 124.2716; 124.91, subdivision 5; 124.95, subdivisions 3 and 4; 124A.23, subdivision 5; 124A.29, subdivision 1; 125.231, by adding a subdivision; and 126.70; proposing coding for new law in Minnesota Statutes, chapters 121; and 124; repealing Minnesota Statutes 1992, sections 121.609; and 126.70, subdivision 2.

Referred to the Committee on Education.

Messrs. Moe, R.D.; Stumpf; Pogemiller; Merriam and Johnson, D.E. introduced—

S.F. No. 1465: A bill for an act relating to higher education; creating a higher education instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; appropriating money.

Referred to the Committee on Education.

Ms. Johnson, J.B. introduced—

S.F. No. 1466: A bill for an act relating to state lands; releasing certain reversionary interests of the state to independent school district No. 911, Cambridge; amending Laws 1963, chapter 350, section 3.

Referred to the Committee on Environment and Natural Resources.

Messrs. Johnson, D.J.; Solon and Laidig introduced—

S.F. No. 1467: A bill for an act relating to waters; establishing a safe harbors program for Lake Superior; stating powers and duties of the commissioner of natural resources and local authorities in respect thereto; proposing coding for new law in Minnesota Statutes, chapter 86A.

Referred to the Committee on Environment and Natural Resources.

Mses. Piper and Ranum introduced—

S.F. No. 1468: A bill for an act relating to children; coordinating county social services and school district services for children; expanding the target groups of children that must be served by community social service programs; requiring minimum expenditures by counties on social services for children and a separate children's plan; requiring the county board to collaborate with local school boards and community health boards in developing the children's social service plan; appropriating money; amending Minnesota Statutes 1992, sections 124A.29, subdivision 1; 256E.03, subdivision 2, and by adding a subdivision; 256E.08, subdivisions 1 and 5; and 256E.09; proposing coding for new law in Minnesota Statutes, chapter 124A.

Referred to the Committee on Family Services.

Ms. Piper introduced—

S.F. No. 1469: A bill for an act relating to human services; requiring grants for demonstration programs, in counties participating in field trials under the Minnesota family investment plan, to promote the self-sufficiency of public assistance recipients; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

Referred to the Committee on Family Services.

Mr. Janezich introduced—

S.F. No. 1470: A bill for an act relating to natural resources; specifying certain royalty rates for state taconite or iron ore mining leases and lease extensions; proposing coding for new law in Minnesota Statutes, chapter 93.

Referred to the Committee on Environment and Natural Resources.

Mr. Morse introduced—

S.F. No. 1471: A bill for an act relating to agriculture; providing compensation for crops and livestock damaged by wildlife; establishing a procedure for damage claims; appropriating money; amending Minnesota Statutes 1992, section 97A.475, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17.

Referred to the Committee on Agriculture and Rural Development.

Mr. Morse introduced—

S.F. No. 1472: A bill for an act relating to economic development; limiting certain daily payments; amending Minnesota Statutes 1992, section 469.011, subdivision 4.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Betzold introduced—

S.F. No. 1473: A bill for an act relating to civil commitment; eliminating the requirement that commitment notices and documents, including the prepetition screening report, be given to any interested person; amending Minnesota Statutes 1992, section 253B.07, subdivision 4.

Referred to the Committee on Judiciary.

Mrs. Benson, J.E.; Messrs. Larson, Morse, Hottinger and Price introduced—

S.F. No. 1474: A bill for an act relating to education; conforming certain provisions of the government data practices act with federal law; amending Minnesota Statutes 1992, section 13.32, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Solon introduced—

S.F. No. 1475: A bill for an act relating to occupations and professions; exempting retired physicians from a license surcharge; amending Minnesota Statutes 1992, section 147.01, subdivision 6.

Referred to the Committee on Health Care.

Mr. Kelly introduced—

S.F. No. 1476: A bill for an act relating to game and fish; authorizing expenditure of RIM funds for restoration of fish and wildlife habitat; amending Minnesota Statutes 1992, section 84.95, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Morse introduced—

S.F. No. 1477: A bill for an act relating to economic development; abolishing Minnesota Project Outreach Corporation and transferring its duties to Minnesota Technology, Inc.; amending Minnesota Statutes 1992, section 116O.091; repealing Minnesota Statutes 1992, section 116O.092.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Sams, Ms. Piper and Mr. Beckman introduced—

S.F. No. 1478: A bill for an act relating to medical assistance; increasing reimbursement rates for life support transportation.

Referred to the Committee on Health Care.

Messrs. McGowan, Berg, Neuville, Johnson, D.E. and Mrs. Adkins introduced—

S.F. No. 1479: A bill for an act relating to taxation; imposing a tax on the value of sports bookmaking bets; proposing coding for new law in Minnesota Statutes, chapter 349.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Pariseau, Mr. Knutson, Ms. Runbeck and Mr. McGowan introduced—

S.F. No. 1480: A bill for an act relating to ethics in government; clarifying requirements for filing for the income tax check-off as a minor party; amending Minnesota Statutes 1992, section 10A.31, subdivision 3a.

Referred to the Committee on Ethics and Campaign Reform.

Mses. Krentz, Olson, Messrs. Johnson, D.J. and Terwilliger introduced—

S.F. No. 1481: A resolution memorializing the Congress of the United States to fund special education costs in the amount originally intended under Public Law Number 94-142.

Referred to the Committee on Education.

Ms. Hanson introduced—

S.F. No. 1482: A bill for an act relating to veterans affairs; appropriating money for the construction of a memorial honoring women military veterans.

Referred to the Committee on Veterans and General Legislation.

Mr. Marty introduced—

S.F. No. 1483: A bill for an act relating to elections; changing certain requirements and procedures for absentee and mail voting; amending Minnesota Statutes 1992, sections 203B.02, subdivisions 1 and 1a; 203B.03, subdivision 1; 203B.04, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 2; 203B.11, by adding a subdivision; 203B.12, subdivision 2, and by adding a subdivision; 203B.13, subdivisions 1 and 2; 203B.16, by adding a subdivision; 203B.19; 204B.45; proposing coding for new law in Minnesota Statutes, chapter 203B.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Price introduced—

S.F. No. 1484: A bill for an act relating to the environment; regulating packaging; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; imposing a waste management fee on discardable packaging; requiring use of reusable packaging for certain percentages of beverages sold or, in the alternative, refundable recycling deposits on nonreusable beverage packaging; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 16B.122, by adding a subdivision; 18B.135, by adding a subdivision; and 115A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115A and 116F; repealing Minnesota Statutes 1992, sections 116F.01 to 116F.08.

Referred to the Committee on Environment and Natural Resources.

Mr. Chandler introduced—

S.F. No. 1485: A bill for an act relating to metropolitan government; providing for long-term comprehensive planning and implementation planning for the metropolitan mosquito control commission; providing for membership on the mosquito control commission; amending Minnesota Statutes 1992, sections 473.129, subdivision 6; 473.181, by adding a subdivision; 473.703; 473.704, by adding a subdivision; 473.711, by adding a subdivision; 473.716, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.



Referred to the Committee on Metropolitan and Local Government.

Mr. Chandler introduced—

S.F. No. 1486: A bill for an act relating to mosquito abatement; requiring the commissioner of agriculture to adopt rules to provide potentially affected persons notice of spraying; amending Minnesota Statutes 1992, sections 18.091; 18.121, subdivision 1; 473.704, subdivision 17.

Referred to the Committee on Agriculture and Rural Development.

Mr. Pogemiller introduced—

S.F. No. 1487: A bill for an act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 474A.047, subdivision 1; and 474A.061, subdivision 2a.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Pogemiller introduced—

S.F. No. 1488: A bill for an act relating to the city of St. Paul; authorizing payment of a refund to the estate of a certain deceased firefighter.

Referred to the Committee on Governmental Operations and Reform.

Mses. Wiener, Johnson, J.B. and Anderson introduced—

S.F. No. 1489: A bill for an act relating to the environment; adding cross references for existing civil penalties for littering; amending Minnesota Statutes 1992, sections 85.20, subdivision 6; 115A.99; 169.421; 375.18, subdivision 14; and 412.221, subdivision 22.

Referred to the Committee on Environment and Natural Resources.

Messrs. Riveness, Metzen, Stumpf, Sams and Stevens introduced—

S.F. No. 1490: A bill for an act relating to state government; providing for review of agency strategic plans, outcome measures, and data collection efforts; providing for the establishment of goals, outcome measures, and incentive systems for state programs; providing for worker participation committees; providing options for employees following restructuring; amending Minnesota Statutes 1992, sections 3.971, by adding a subdivision; and 43A.045; proposing coding for new law in Minnesota Statutes, chapter 15.

Referred to the Committee on Governmental Operations and Reform.

Mr. Murphy introduced—

S.F. No. 1491: A bill for an act relating to the criminal code; amending Minnesota Statutes 1992, sections 609.1352, by adding a subdivision; and 609.346, subdivision 5.

Referred to the Committee on Crime Prevention.

Mr. Murphy introduced—

S.F. No. 1492: A bill for an act relating to shoreland management; authorizing municipalities to allow redevelopment of certain shoreland property on Lake Pepin; amending Minnesota Statutes 1992, section 103F.221, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Ms. Pappas introduced—

S.F. No. 1493: A bill for an act relating to education; establishing peer review aid; modifying peer review by removing school site management teams from the process; requiring that the exclusive representative select committee members; amending Minnesota Statutes 1992, sections 125.12, subdivisions 3, 3a, and 4a; and 125.17, subdivisions 2, 2a, and 3a; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Messrs. Metzner, Riveness, Cohen, Terwilliger and Luther introduced—

S.F. No. 1494: A bill for an act relating to commerce; regulating registered combined charitable organizations; amending Minnesota Statutes 1992, section 309.501.

Referred to the Committee on Governmental Operations and Reform.

Mr. Murphy introduced—

S.F. No. 1495: A bill for an act relating to education; modifying the child care grant program administered by the higher education coordinating board; amending Minnesota Statutes 1992, section 136A.125, subdivisions 2, 4, and by adding a subdivision.

Referred to the Committee on Education.

Mr. Samuelson introduced—

S.F. No. 1496: A bill for an act relating to health care and family services; the organization and operation of state government; appropriating money for human services, health, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, section 214.06, subdivision 1.

Referred to the Committee on Family Services.

## ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:30 a.m., Thursday, April 1, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## TWENTY-NINTH DAY

St. Paul, Minnesota, Thursday, April 1, 1993

The Senate met at 8:30 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Spear 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. Susan Milnor.

The roll was called, and the following Senators answered to their names:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

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 29, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 19.

Warmest regards,  
Arne H. Carlson, Governor

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1221: A bill for an act relating to motor vehicles; requiring license plates to stay with motor carrier on prorate truck; changing the registration period for prorate vehicles; excepting prorate vehicles from renewal notice requirements; making owner-operator subject to suspension of plates and international fuel tax agreement license for certain delinquent filings or payments; amending Minnesota Statutes 1992, sections 168.09, subdivisions 3 and 5; 168.12, subdivision 1; and 168.187, subdivision 26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 29, insert:

“Sec. 5. Minnesota Statutes 1992, section 168.31, subdivision 4a, is amended to read:

Subd. 4a. [INSTALLMENTS:] If the tax for a vehicle assessed under section 168.187 amounts to more than \$400, the owner may pay the tax by installments. The owner shall submit with the application for registration, no later than January 1 ~~or the registration year~~, one-third of the Minnesota annual tax due or \$400, whichever is greater. The applicant shall furnish a bond, bank letter of credit, or certificate of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The amount of the bond, letter of credit, or certificate of deposit may include any penalties assessed. The bond, letter of credit, or certificate of deposit must be for the benefit of the state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees and penalties. The remainder of the tax due must be paid in two equal installments; the due date of the first installment is May 1 and the second installment is due on September 1. If an owner of a vehicle fails to pay an installment on or before the due date, the vehicle must not be used on the public streets or highways in this state until the installment or installments of the tax remaining due on the vehicle has been paid in full for the licensed year, together with a penalty at the rate of \$1 per day for the remainder of the month in which the balance of the tax becomes due and \$4 a month for each succeeding month or fraction of it during which the balance of the tax remains unpaid. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of an owner who during the current year fails to pay any installment and penalties due within one month after the due date.”

Amend the title as follows:

Page 1, line 11, delete “and” and before the period, insert “; and 168.31, subdivision 4a”.

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 298: A bill for an act relating to crime; expanding the crime of trespass to include entry onto locked or posted construction sites without consent; amending Minnesota Statutes 1992, section 609.605, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, delete everything after "in" and insert "*a conspicuous place on the exterior of the building that is under construction, alteration, or repair, and additional signs in at least two conspicuous places for each ten acres being protected*"

Page 2, line 2, delete everything before the period

Page 2, after line 8, insert:

"(vi) For purposes of this section, "building" has the meaning given in section 609.581, subdivision 2."

Page 2, line 19, after "dwelling" insert "*or locked or posted building*"

Page 2, line 34, before the period, insert "*, except that this clause does not prohibit any person from engaging in organizing and other lawful union activities permitted by state or federal law*"

Amend the title as follows:

Page 1, line 3, after "sites" insert "and buildings"

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

H.F. No. 546: A bill for an act relating to outdoor recreation; prohibiting motor sports areas within the Dorer Memorial Hardwood Forest without county and township board approval.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [89.025] [RICHARD J. DORER MEMORIAL HARDWOOD STATE FOREST; LAND USE RESTRICTED.]

*After June 1, 1993, the commissioner may not allow the use of additional state forest lands within the boundaries of the Richard J. Dorer Memorial Hardwood State Forest for operation of recreational motor vehicles as defined in section 84.90, subdivision 1, without approval of the county board and town board of the county and town within which the use is proposed.*

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 outdoor recreation; prohibiting expanded use of recreational motor vehicles within the Richard J. Dorer Memorial Hard-

wood State Forest without county and town board approval; proposing coding for new law in Minnesota Statutes, chapter 89.”

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. 550: A bill for an act relating to animals; prohibiting certain species; imposing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 35.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [84.9695] [RESTRICTED SPECIES.]

*Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.*

*(b) “Commissioner” means the commissioner of natural resources.*

*(c) “Restricted species” means Eurasian wild pigs and their hybrids (Sus scrofa subspecies and Sus scrofa hybrids), excluding domestic hogs (S. scrofa domesticus).*

*(d) “Release” means an intentional introduction or escape of a species from the control of the owner or responsible party.*

*Subd. 2. [IMPORTATION; POSSESSION; RELEASE OF RESTRICTED SPECIES.] It is unlawful for a person to import, possess, propagate, transport, or release restricted species, except as provided in subdivision 3.*

*Subd. 3. [PERMITS.] (a) The commissioner may issue permits for the transportation, possession, purchase, or importation of restricted species for scientific, research, educational, or commercial purposes. A permit issued under this subdivision may be revoked by the commissioner if the conditions of the permit are not met by the permittee or for any unlawful act or omission, including accidental escapes.*

*(b) The commissioner may issue permits for a person to possess and raise a restricted species for commercial purposes if the person was in possession of the restricted species on March 1, 1993. Under the permit, the number of breeding stock of the restricted species in the possession of the person may not increase and the person must comply with the certification requirements in subdivision 7.*

*(c) A person may possess a restricted species without a permit for a period not to exceed two days for the purpose of slaughtering the restricted species for human consumption.*

*Subd. 4. [NOTICE OF ESCAPE OF RESTRICTED SPECIES.] In the event of an escape of a restricted species, the owner must notify within 24 hours a conservation officer and the board of animal health and is responsible for the recovery of the species. The commissioner may capture or destroy the escaped animal at the owner’s expense.*

*Subd. 5. [ENFORCEMENT.] This section may be enforced under sections 97A.205 and 97A.211.*

*Subd. 6. [PENALTY.] A person who violates subdivision 2, 4, or 7 is guilty of a misdemeanor.*

*Subd. 7. [CERTIFICATION AND IDENTIFICATION REQUIREMENTS.] (a) A person who possesses restricted species on the effective date of this section must submit certified numbers of restricted species in the person's possession to the board of animal health by June 1, 1993.*

*(b) Restricted species in the possession of a person must be marked in a permanent fashion to identify ownership. The restricted species must be marked as soon as practicable after birth or purchase.*

*Subd. 8. [CONTAINMENT.] The commissioner shall develop criteria for approved containment measures for restricted species with the assistance of producers of restricted species.*

*Subd. 9. [BOND; SECURITY.] A person who possesses restricted species must file a bond or deposit with the commissioner security in the form and in the amount determined by the commissioner to pay for the costs and damages caused by an escape of a restricted species.*

*Subd. 10. [FEE.] The commissioner shall impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed \$50.*

## **Sec. 2. [RESTRICTED SPECIES TASK FORCE.]**

*Subdivision 1. [CREATION.] A task force is created to evaluate the feasibility of allowing restricted species in the state. The task force shall consist of the following members: a member of the senate appointed by the subcommittee on committees of the committee on rules and administration, a member of the house of representatives appointed by the speaker of the house of representatives, the commissioner of natural resources or the commissioner's designee, the commissioner of agriculture or the commissioner's designee, a representative of the board of animal health, two representatives of producers of restricted species, and a representative of the conservation community appointed by the commissioner of natural resources.*

*Subd. 2. [CHAIR.] The commissioner of agriculture or the commissioner's designee shall chair the task force and shall make the appointments for the producers of the restricted species and the board of animal health as provided in subdivision 1.*

*Subd. 3. [DUTIES.] The task force shall conduct a study of the feasibility of allowing restricted species in the state and make recommendations concerning the following issues:*

- (1) the economic viability of raising restricted species in the state;*
- (2) the feasibility of possessing and raising restricted species in the state in a safe manner;*
- (3) any health threats, including the spread of diseases, posed by possession and any increase in numbers of restricted species in the state;*
- (4) the administrative impact on the departments of agriculture and natural resources if restricted species are permitted in the state;*

(5) any other factors relative to the costs and benefits and feasibility of permitting restricted species in the state; and

(6) the ecological threat to the state.

Subd. 4. [REPORT.] *The task force shall submit a written report containing its recommendations and findings to the legislature by January 1, 1994.*"

Delete the title and insert:

"A bill for an act relating to agriculture; regulating activities relating to restricted species; creating a restricted species task force; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 84."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1199: A bill for an act relating to labor and employment; advisory councils; extending the expiration date of labor and employment related advisory councils; amending Minnesota Statutes 1992, sections 79.51, subdivision 4; 175.008; 178.02, subdivision 2; 182.656, subdivision 3; 268.363; and 326.41.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 544: A bill for an act relating to labor; providing that certain acts are an unfair labor practice; amending Minnesota Statutes 1992, sections 179.12; and 179A.13, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, after "interview" insert "of the employee"

Page 2, line 6, delete "any" and insert "that" and delete "a" and insert "the employee's"

Page 4, line 2, after "interview" insert "of the employee"

Page 4, line 3, delete "any" and insert "that" and delete "a" and insert "the employee's"

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. 636: A bill for an act relating to pollution control; modifying eligibility area for state financial assistance program for combined sewer overflow; amending Minnesota Statutes 1992, section 116.162, 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. [COMBINED SEWER OVERFLOW STUDY; CITY OF RED WING.]

*The commissioner of the pollution control agency shall study the feasibility and cost of including the city of Red Wing in the combined sewer overflow program under Minnesota Statutes, section 116.162. The commissioner shall report the findings of the study to the legislature by January 15, 1994.”*

Delete the title and insert:

“A bill for an act relating to pollution control; requiring a study of the feasibility of including the city of Red Wing in the state financial assistance program for combined sewer overflow.”

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. 796: A bill for an act relating to transportation; exempting public bodies from regulations on all-terrain vehicles; allowing commissioner of transportation to transfer certain real property acquired for highway purposes to former owner through negotiated settlement; providing for bridge inspection frequency and reports; delaying required revision of state transportation plan; authorizing expenditure of rail service maintenance account money for maintenance of rail lines and rights-of-way in the rail bank; providing funding sources for rail bank maintenance account; authorizing sale of certain tax-forfeited land that borders public water in New Scandia township in Washington county, and an exchange of that land for land located in Stillwater township in Washington county between the state of Minnesota and the United States Department of Interior, National Park Service; repealing identification display requirements for highway advertising signs; amending Minnesota Statutes 1992, sections 84.92, subdivision 6; 165.03; 174.03, subdivision 1a; 222.50, subdivision 7; 222.63, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, section 173.14; and Minnesota Rules, part 8810.1300, subpart 6.

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 1992, section 84.928, subdivision 1, is amended to read:

Subdivision 1. [OPERATION ON ROADS AND RIGHTS-OF-WAY.] (a) A person shall not operate an all-terrain vehicle along or on the roadway, shoulder, or inside bank or slope of a public road right-of-way other than in the ditch or the outside bank or slope of a trunk, county state-aid, or county highway in this state unless otherwise allowed in sections 84.92 to 84.929.

(b) A person may operate an all-terrain vehicle registered for private use and used for agricultural purposes on a public road right-of-way of a trunk, county

state-aid, or county highway in this state if the all-terrain vehicle is operated on the extreme right-hand side of the road, and left turns may be made from any part of the road if it is safe to do so under the prevailing conditions.

(c) A person shall not operate an all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway from April 1 to August 1 in the agricultural zone unless the vehicle is being used exclusively as transportation to and from work on agricultural lands. *This paragraph does not apply to an agent or employee of a road authority, as defined in section 160.02, subdivision 9, or the department of natural resources when performing or exercising official duties or powers.*

(d) A person shall not operate an all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway between the hours of one-half hour after sunset to one-half hour before sunrise, except on the right-hand side of the right-of-way and in the same direction as the highway traffic on the nearest lane of the adjacent roadway.

(e) A person shall not operate an all-terrain vehicle at any time within the right-of-way of an interstate highway or freeway within this state."

Page 6, line 11, delete "RULE CHANGE" and insert "BRIDGE INSPECTIONS"

Page 6, line 12, after "commissioner" insert "of transportation" and delete everything after "shall"

Page 6, line 13, delete everything before "that" and insert "ensure"

Page 6, line 14, delete everything after "years" and insert a period

Page 6, delete lines 15 to 18

Amend the title as follows:

Page 1, line 21, delete "84.92" and insert "84.928" and delete "6" and insert "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. 1275: A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; creating a pollution abatement loan and grant program in the department of trade and economic development; providing for loan repayment by municipalities; authorizing the issuance of bonds and the making of loans and grants; appropriating money; amending Minnesota Statutes 1992, section 115B.175, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115B; and 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. Minnesota Statutes 1992, section 115B.175, subdivision 4, is amended to read:

Subd. 4. [PERFORMANCE OF RESPONSE ACTIONS DOES NOT ASSOCIATE PERSONS WITH RELEASE.] Persons specified in subdivision 6 do not associate themselves with, *or aggravate or contribute to*, any release or threatened release identified in an approved voluntary response action plan for the purpose of *subdivision 7, clause (1), or section 115B.03, subdivision 3, paragraph (d)*, as a result of performance of the response actions required in accordance with the plan and the direction of the commissioner. This subdivision does not apply to a person specified in subdivision 7. Nothing in this section relieves a person of any liability for failure to exercise due care in performing a response action.

Sec. 2. Minnesota Statutes 1992, section 115B.175, is amended by adding a subdivision to read:

*Subd. 6a. [VOLUNTARY RESPONSE ACTIONS BY RESPONSIBLE PERSONS.] (a) Notwithstanding subdivision 1, paragraph (a), when a person who is responsible for a release or threatened release under sections 115B.01 to 115B.18 undertakes and completes response actions, the protection from liability provided by this section applies to persons described in paragraph (c) if the response actions are undertaken and completed in accordance with this subdivision.*

*(b) The response actions must be undertaken and completed in accordance with a voluntary response action plan approved as provided in subdivision 3. Notwithstanding subdivision 2, a voluntary response action plan submitted by a person who is responsible for the release or threatened release must require remedy or removal of all releases and threatened releases at the identified area of real property. The identified area of real property must correspond to the boundaries of a parcel that is either separately platted or is the entire parcel.*

*(c) Subject to the provisions of subdivision 7, when the commissioner issues a certificate of completion under subdivision 5 for response actions completed at an identified area of real property in accordance with this subdivision, the liability protection under this section applies to:*

*(1) a person who acquires the identified real property after approval of the voluntary response action plan;*

*(2) a person providing financing for response actions or development at the identified real property after approval of the response action plan, whether the financing is provided to the person undertaking the response actions or other person who acquires or develops the property; and*

*(3) a successor or assign of a person to whom the liability protection applies under this paragraph.*

Sec. 3. Minnesota Statutes 1992, section 115B.175, subdivision 7, is amended to read:

Subd. 7. [PERSONS NOT PROTECTED FROM LIABILITY.] The protection from liability provided by this section does not apply to:

*(1) a person who aggravates or contributes to a release or threatened release that was not remedied under an approved voluntary response action plan;*

(2) a person who was responsible under sections 115B.01 to 115B.18 for a release or threatened release identified in the approved voluntary response action plan before taking an action that would have made the person subject to the protection under subdivision 6 or 6a; or

(3) a person who obtains approval of a voluntary response action plan for purposes of this section by fraud or misrepresentation, or by knowingly failing to disclose material information, or who knows that approval was so obtained before taking an action that would have made the person subject to the protection under subdivision 6 or 6a.

Sec. 4. [115B.178] [ASSOCIATION WITH RELEASE; AGENCY DEFINITION.]

*Subdivision 1. [COMMISSIONER'S NO-ASSOCIATION DETERMINATION.] A "no-association determination" is a determination by the commissioner on a case-by-case basis defining circumstances when conduct would not associate a person with a release of a hazardous substance or pollutant or contaminant under section 115B.03, subdivision 3, clause (d). A person taking actions consistent with a specific no-association determination is not liable as a responsible person under sections 115B.01 to 115B.18. The commissioner may subject a no-association determination to reasonable or necessary further conditions. A no-association determination is invalid if the commissioner obtains new information indicating the person is otherwise responsible for the release. A no-association determination may not be issued for conduct that the commissioner finds would:*

- (1) interfere with implementation of a remedy or remedial action;*
- (2) result in an action that would significantly contribute to the release or threat of release of a hazardous substance or pollutant or contaminant; or*
- (3) pose health risks for persons in the vicinity of the real property or facility.*

*Subd. 2. [SCOPE AND EFFECT OF DETERMINATION.] Section 115B.177, subdivision 2, applies to a determination by the commissioner under this section.*

Sec. 5. [115B.179] [COMMISSIONER'S AUTHORITY NOT LIMITED.]

*The commissioner's authority to make a determination or enter into an agreement under section 115B.177 and to make a "no-association determination" under section 115B.178 does not limit or preclude any other authority of the commissioner under any law."*

Delete the title and insert:

"A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 429: A bill for an act relating to alcoholic beverages; changing definitions of licensed premises, nonintoxicating malt liquor, restaurant, and wine; authorizing an investigation fee on denied licenses; prohibiting manufacturers from dealing directly with retailers; disqualifying felons from licensing; revising authority for suspensions and civil penalties; making rule violations and false or incomplete statements in license applications misdemeanors; authorizing seizure and disposal of illegally possessed alcoholic beverages; providing instructions to the revisor; amending Minnesota Statutes 1992, sections 340A.101, subdivisions 15, 19, 25, and 29; 340A.301, subdivision 3; 340A.302, subdivision 3; 340A.308; 340A.402; 340A.703; 340A.904, subdivision 1; and 340A.907; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1992, section 340A.903.

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 1992, section 297C.09, is amended to read:

297C.09 [IMPORTATION BY INDIVIDUALS.]

A person, other than a person under the age of 21 years, entering Minnesota from another state may have in possession one liter of intoxicating liquor or 288 ounces of malt liquor and a person entering Minnesota from a foreign country may have in possession four liters of intoxicating liquor or ten quarts (320 ounces) of malt liquor without the required payment of the Minnesota excise tax. A collector of commemorative bottles, other than a person under the age of 21 years, entering Minnesota from another state may have in possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. A person *entering Minnesota from another state* who imports or has in possession ~~untaxed~~ intoxicating liquor or malt liquor in excess of the quantities provided for in this section is guilty of a misdemeanor. *A person entering Minnesota from a foreign country who imports or has in possession untaxed intoxicating liquor or malt liquor in excess of the quantities provided for in this section is guilty of a misdemeanor.* This section does not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers when licensed by the commissioner of public safety or to common carriers with licenses to sell intoxicating liquor in more than one state. A peace officer, the commissioner, or their authorized agents, may seize untaxed liquor.

Sec. 2. [297C.095] [INTERSTATE RECIPROCAL WINE TRANSPORTATION.]

*(a) Notwithstanding section 297C.09 or any provision of this chapter or chapter 340A, an adult resident or holder of an alcoholic beverage license in a state which affords Minnesota licensees or adult residents an equal reciprocal shipping privilege may ship, for personal use and not for resale, not more than two cases of wine, containing a maximum of nine liters per case in any calendar year to any adult resident of this state. Delivery of a shipment pursuant to this section shall not be deemed to constitute a sale in this state.*

(b) *The shipping container of any wine sent into or out of this state under this section shall be clearly labeled to indicate that the package cannot be delivered to a person under the age of 21 years.*

(c) *No broker within this state shall solicit consumers to engage in interstate reciprocal wine shipments under this section. No shipper located outside this state may advertise such interstate reciprocal wine shipments in this state.*

(d) *It is not the intent of this section to impair the distribution of wine through distributors or importing distributors, but only to permit shipments of wine for personal use.*

Sec. 3. Minnesota Statutes 1992, section 340A.101, subdivision 15, is amended to read:

Subd. 15. [LICENSED PREMISES.] "Licensed premises" is the premises described in the approved license application, *and consistent with section 340A.410, subdivision 7.* In the case of a restaurant, club, or exclusive liquor store licensed for on-sales of alcoholic beverages and located on a golf course, "licensed premises" means the entire golf course except for areas where motor vehicles are regularly parked or operated.

Sec. 4. Minnesota Statutes 1992, section 340A.101, subdivision 25, is amended to read:

Subd. 25. [RESTAURANT.] "Restaurant" is an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly *prepared on the premises and served at tables to the general public,* and having seating capacity for guests in the following minimum numbers:

- |  |     |
|--|-----|
| (a) First class cities   | 50  |
| (b) Second and third class cities<br>and statutory cities of over<br>10,000 population   | 30  |
| (c) Unincorporated or unorganized<br>territory other than in Cook,<br>Itasca, Lake, Lake of the Woods,<br>and St. Louis counties | 100 |
| (d) Unincorporated or unorganized<br>territory in Cook, Itasca, Lake,<br>Lake of the Woods, and St. Louis<br>counties            | 50  |

In the case of classes (b) and (c) above, the governing body of a city or county may prescribe a higher minimum number. In fourth class cities and statutory cities under 10,000 population, minimum seating requirements are those prescribed by the governing body of the city.

Sec. 5. Minnesota Statutes 1992, section 340A.101, subdivision 29, is amended to read:

Subd. 29. [WINE.] "Wine" is *the product made from the normal alcoholic fermentation of grapes, including still wine, sparkling and carbonated wine, wine made from condensed grape must, wine made from other agricultural products than sound, ripe grapes, imitation wine, compounds sold as wine, vermouth, cider, perry and sake, in each instance containing not less than*

~~seven one-half of one percent nor more than 24 percent alcohol by volume for nonindustrial use. Wine does not include distilled spirits as defined in subdivision 9.~~

Sec. 6. Minnesota Statutes 1992, section 340A.301, subdivision 3, is amended to read:

Subd. 3. [APPLICATION.] An application for a license under this section must be made to the commissioner on a form the commissioner prescribes and must be accompanied by the fee specified in subdivision 6. If an application is denied, \$100 of the amount of any fee exceeding that amount shall be retained by the commissioner to cover costs of investigation.

Sec. 7. Minnesota Statutes 1992, section 340A.302, subdivision 3, is amended to read:

Subd. 3. [FEES.] Annual fees for licenses under this section, which must accompany the application, are as follows:

Importers of distilled spirits, wine, or ethyl alcohol	\$420
Importers of malt liquor	\$800

*If an application is denied, \$100 of the fee shall be retained by the commissioner to cover costs of investigation.*

Sec. 8. Minnesota Statutes 1992, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

(1) a person not a citizen of the United States or a resident alien;

(2) a person under 21 years of age;

(3) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested;

(4) a person not of good moral character and repute; or

(5) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a felony or a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 9. Minnesota Statutes 1992, section 340A.415, is amended to read:

340A.415 [LICENSE REVOCATION OR SUSPENSION.]

The authority issuing or approving any retail license or permit under this chapter or the commissioner shall either suspend for up to 60 days or revoke the license or permit or impose a civil fine penalty not to exceed \$2,000 for each violation on a finding that the license or permit holder has failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been afforded an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearing. The issuing authority or the commissioner may impose the penalties provided in this section on a retail licensee who knowingly (1) sells sold alcoholic beverages to another retail licensee for the purpose of resale, (2) purchases purchased alcoholic beverages from another retail licensee for the purpose of resale, (3) conducts or permits conducted or permitted the conduct of gambling on the licensed premises in violation of the law, or (4) fails failed to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 340A.508, subdivision 3, or (5) failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been given an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearings: Imposition of a penalty or suspension by either the issuing authority or the commissioner does not preclude imposition of an additional penalty or suspension by the other so long as the total penalty or suspension does not exceed the state maximum.

Sec. 10. Minnesota Statutes 1992, section 340A.503, subdivision 6, is amended to read:

Subd. 6. [PROOF OF AGE; DEFENSE.] (a) Proof of age for purchasing or consuming alcoholic beverages may be established only by one of the following:

(1) a valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, and including the photograph and date of birth of the licensed or identified person;

(2) a valid Minnesota identification card;

(3) a valid military identification card issued by the United States Department of Defense;

(4) a valid Canadian identification card with the photograph and date of birth of the person, issued by a Canadian province; or

(4) (5) in the case of a foreign national, from a nation other than Canada, by a valid passport.

(b) In a prosecution under subdivision 2, clause (1), it is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon representations of proof of age authorized in paragraph (a) in selling, bartering, furnishing, or giving the alcoholic beverage.

Sec. 11. Minnesota Statutes 1992, section 340A.703, is amended to read:

340A.703 [MISDEMEANORS.]



Where no other penalty is specified a violation of any provision of this chapter or rule of the commissioner adopted under this chapter is a misdemeanor.

Sec. 12. [340A.706] [FALSE OR INCOMPLETE LICENSE APPLICATIONS; PENALTY.]

*It is a misdemeanor for any applicant for a license or permit under this chapter to make any false statement or fail to disclose any information required by the commissioner in connection with an application. In addition to any criminal penalty imposed, the commissioner may either suspend for up to 60 days, revoke, or deny the license or permit or impose a civil penalty of not over \$2,000 upon finding that an applicant made a false statement or failed to disclose required information.*

Sec. 13. Minnesota Statutes 1992, section 340A.904, subdivision 1, is amended to read:

Subdivision 1. [DISPOSAL ALTERNATIVES.] Contingent on the final determination of any action pending in a court, the commissioner shall dispose of alcoholic beverages, material, apparatus, or vehicle seized by inspectors or employees of the department by:

- (1) delivering alcoholic beverages to the bureau of criminal apprehension or state patrol for use in chemical testing programs;
- (2) delivering on written requests of the commissioner of administration any material, apparatus, or vehicle for use by a state department;
- (3) selling intoxicating liquor to licensed retailers within the state;
- (4) selling any material, apparatus, or vehicle; or
- (5) destroying alcoholic beverages or contraband articles that have no lawful use; or
- (6) donation to a charity registered under section 309.52.

Sec. 14. Laws 1983, chapter 259, section 8, is amended to read:

Sec. 8. [ST. PAUL; PARK CLUB HOUSES AND PAVILION; LIQUOR.]

*Subdivision 1. [AUTHORIZATION.] Notwithstanding any contrary provision of law, charter or ordinance, the city of St. Paul may by ordinance authorize any holder of an "on-sale" liquor license issued by the city to dispense intoxicating liquor at any event of definite duration on the public premises known as the Phalen Park club house, the Como Park club house, and at the Como Park lakeside pavilion. The event may not be profit making except as a fund raising event for a nonprofit organization or a political committee as defined in Minnesota Statutes, section 210A.01, subdivision 8 211A.01, subdivision 4. The licensee must be engaged to dispense liquor at the event by a person or organization permitted to use the premises and may dispense liquor only to persons attending the event. A licensee's authority shall expire upon termination of the event. The authority to dispense liquor shall be granted in accordance with the statutes applicable to the issuance of "on-sale" liquor licenses in cities of the first class consistent with this act. The dispensing of liquor shall be subject to all laws and ordinances governing the dispensing of intoxicating liquor that are consistent with this act. All dispensing of liquor shall be in accordance with the conditions prescribed by*

the city. The conditions may limit the dispensing of liquor to designated areas of the facility. The city may fix and assess a fee to be paid to the city by an "on-sale" licensee for each event for which the licensee is engaged to dispense liquor. The authority granted by this subdivision shall not count as an additional "on-sale" intoxicating liquor license for purposes of determining the number of liquor licenses permitted to be issued under the provisions of Minnesota Statutes, section ~~340.11~~ 340A.413.

*Subd. 2. [LOCAL APPROVAL.] This section is effective on approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021.*

Sec. 15. Laws 1992, chapter 486, section 11, is amended to read:

**Sec. 11. [NATIONAL SPORTS CENTER; SALES OF ALCOHOLIC BEVERAGES.]**

*Subdivision 1. [AUTHORIZATION.] The Blaine city council may by ordinance authorize a holder of a retail on-sale intoxicating liquor license issued by the city of Blaine or a contiguous another city within Anoka, Hennepin, or Ramsey county to dispense alcoholic beverages at the National Sports Center to persons attending a social event at the center. The licensee must be engaged to dispense alcoholic beverages at a social event held by a person or organization permitted to use the National Sports Center. Nothing in this section authorizes a licensee to dispense alcoholic beverages at any youth amateur athletic event held at the center.*

*Subd. 2. [EFFECTIVE DATE.] This section is effective the day following final enactment. Under Minnesota Statutes, section 645.023, subdivision 1, paragraph (a), subdivision 1 takes effect without local approval.*

**Sec. 16. [ZOOLOGICAL GARDEN LICENSES.]**

*Subdivision 1. [AUTHORIZATION.] (a) In addition to other licenses authorized by law, the city of Apple Valley may issue one or more on-sale intoxicating liquor licenses to the Minnesota zoological gardens located at 13000 Zoo Boulevard in Apple Valley or to an entity holding a concessions contract with the Minnesota zoological board for use on the premises.*

*(b) The city of Apple Valley may authorize the holder of a retail on-sale intoxicating liquor license issued by the city to dispense intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises owned by Dakota county located at 14955 Galaxie Avenue in Apple Valley or to any entity holding a concessions contract with the owner for use on the premises. The licensee must be engaged to dispense intoxicating liquor at an event held by a person or organization permitted to use the premises and may dispense intoxicating liquor only to persons attending the event.*

*(c) The license authorizes sales on all days of the week.*

*(d) The license authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is within the premises and is included in the description of the licensed premises on the approved license application.*

*(e) All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licensing, sale, and serving of alcoholic beverages under this section.*

*Subd. 2. [EFFECTIVE DATE.] This section is effective on approval by the Apple Valley city council and compliance with Minnesota Statutes, section 645.021.*

**Sec. 17. [HOUSTON COUNTY; ON-SALE LIQUOR LICENSE.]**

*Subdivision 1. [AUTHORIZATION.] (a) The county board of Houston county may, with the approval of the commissioner of public safety, issue an on-sale intoxicating liquor license to an establishment located in Crooked Creek township notwithstanding the fact that the establishment is not a "restaurant" as defined in Minnesota Statutes, section 340A.101, subdivision 25.*

*(b) The county board of Houston county may, with the approval of the commissioner of public safety, issue an on-sale intoxicating liquor license to an establishment located in Brownsville township notwithstanding the fact that the establishment is not a "restaurant" as defined in Minnesota Statutes, section 340A.101, subdivision 25.*

*(c) All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licenses authorized by this section.*

*Subd. 2. [EFFECTIVE DATE.] This section is effective on approval by the Houston county board and compliance with Minnesota Statutes, section 645.021, subdivision 3.*

**Sec. 18. [INTOXICATING LIQUOR LICENSE; TOWN OF SCHROEDER.]**

*Subdivision 1. [AUTHORITY.] The town board of Schroeder in Cook county may, with the approval of the commissioner of public safety, issue an off-sale intoxicating liquor license to an exclusive liquor store located within the town. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license.*

*Subd. 2. [EFFECTIVE DATE.] This section is effective on approval of the Schroeder town board and compliance with Minnesota Statutes, section 645.021, subdivision 2.*

**Sec. 19. [ON-SALE LICENSE; ISANTI COUNTY.]**

*Subdivision 1. [AUTHORIZATION.] The Isanti county board may issue an on-sale intoxicating liquor license to a premises located in Dalbo township and designated as the Dusty Eagle, without regard to whether the licensed premises meets the definition of a "restaurant" in Minnesota Statutes, section 340A.101, subdivision 25. All other provisions in Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized by this section.*

*Subd. 2. [LOCAL APPROVAL.] This section is effective on approval by the Isanti county board and compliance with Minnesota Statutes, section 645.021.*

**Sec. 20. [REPEALER.]**

*Minnesota Statutes 1992, section 340A.903, is repealed.*

**Sec. 21. [EFFECTIVE DATE.]**

*Sections 3 to 8, 11 to 13, and 20 are effective July 1, 1993. Section 2 is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; reciprocity in interstate transportation of wine; changing definitions of licensed premises, restaurant, and wine; authorizing an investigation fee on denied licenses; disqualifying felons from licensing; revising authority for suspensions and civil penalties; making rule violations and false or incomplete statements in license applications misdemeanors; providing instructions to the revisor; penalties for importation of excess quantities; proof of age for purchase or consumption; opportunity for a hearing for license revocation or suspension; authorizing the dispensing of intoxicating liquor at the Como Park lakeside pavilion; authorizing dispensing of liquor by an on-sale licensee at the National Sports Center in Blaine; authorizing the city of Apple Valley to issue on-sale licenses on zoological gardens property and to allow an on-sale license to dispense liquor on county-owned property within the city; authorizing Houston county to issue an on-sale intoxicating liquor license to establishments in Crooked Creek and Brownsville townships; authorizing the town of Schroeder in Cook county to issue an off-sale license to an exclusive liquor store; authorizing an on-sale liquor license in Dalbo township of Isanti county; amending Minnesota Statutes 1992, sections 297C.09; 340A.101, subdivisions 15, 25, and 29; 340A.301, subdivision 3; 340A.302, subdivision 3; 340A.402; 340A.415; 340A.503, subdivision 6; 340A.703; and 340A.904, subdivision 1; Laws 1983, chapter 259, section 8; Laws 1992, chapter 486, section 11; proposing coding for new law in Minnesota Statutes, chapters 297C; and 340A; repealing Minnesota Statutes 1992, section 340A.903."

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. 882 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.
882	712				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 882 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 882 and insert the language after the enacting clause of S.F. No. 712, the first engrossment; further, delete the title of H.F. No. 882 and insert the title of S.F. No. 712, the first engrossment.

And when so amended H.F. No. 882 will be identical to S.F. No. 712, and further recommends that H.F. No. 882 be given its second reading and substituted for S.F. No. 712, 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. 443 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.
443	607				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 443 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 443 and insert the language after the enacting clause of S.F. No. 607, the first engrossment; further, delete the title of H.F. No. 443 and insert the title of S.F. No. 607, the first engrossment.

And when so amended H.F. No. 443 will be identical to S.F. No. 607, and further recommends that H.F. No. 443 be given its second reading, and substituted for S.F. No. 607, 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. 1221, 298, 1199, 544, 636 and 429 were read the second time.

#### SECOND READING OF HOUSE BILLS

H.F. Nos. 546, 882 and 443 were read the second time.

#### MOTIONS AND RESOLUTIONS

Ms. Reichgott moved that her name be stricken as chief author, shown as a co-author and the name of Mr. Johnson, D.J. be shown as chief author to S.F. No. 510. The motion prevailed.

Mr. Merriam moved that the name of Mr. Knutson be added as a co-author to S.F. No. 1332. The motion prevailed.

Mr. Benson, D.D. moved that the name of Mr. Neville be added as a co-author to S.F. No. 1450. The motion prevailed.

Mr. Benson, D.D. moved that the name of Mr. Neville be added as a co-author to S.F. No. 1451. The motion prevailed.

Ms. Piper moved that the name of Mr. Janezich be added as a co-author to S.F. No. 1468. The motion prevailed.

## CALENDAR

H.F. No. 203: A bill for an act relating to occupations and professions; board of medical practice; modifying requirements for licensing United States, Canadian, and foreign medical school graduates; providing for temporary permits; providing for residency permits; adding a requirement for students exempt from penalties for practicing without a license; adding to licensed professionals subject to reporting obligations; indemnifying board members, consultants, and persons employed by the board; adding registration requirements for physical therapists from other states and foreign-trained physical therapists; amending Minnesota Statutes 1992, sections 62A.46, subdivision 7; 147.02, subdivision 1, and by adding a subdivision; 147.03; 147.037, subdivision 1, and by adding a subdivision; 147.09; 147.111, subdivision 4; 147.121, subdivision 2; and 148.71, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 147.

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:

Anderson	Day	Knutson	Morse	Robertson
Beckman	Dille	Krentz	Murphy	Runbeck
Belanger	Finn	Laidig	Neuville	Sams
Benson, D.D.	Flynn	Langseth	Novak	Samuelson
Benson, J.E.	Frederickson	Lesewski	Oliver	Solon
Berg	Hanson	Lessard	Olson	Spear
Berglin	Hottinger	Luther	Pappas	Stevens
Bertram	Johnson, D.E.	McGowan	Pariseau	Stumpf
Betzold	Johnson, D.J.	Merriam	Piper	Terwilliger
Chandler	Johnston	Metzen	Pogemiller	Wiener
Chmielewski	Kelly	Moe, R.D.	Price	
Cohen	Kiscaden	Mondale	Ranum	

So the bill passed and its title was agreed to.

H.F. No. 296: A bill for an act relating to financial institutions; credit unions; regulating investments in share certificates; authorizing credit unions to make reverse mortgage loans; regulating credit unions as depositories of various funds; amending Minnesota Statutes 1992, sections 11A.24, subdivision 4; 41B.19, subdivision 6; 47.58, subdivision 1; 50.14, subdivision 13; 52.04, subdivision 1; 80A.14, subdivisions 4 and 9; 116J.8765, subdivision 4; 118.01, subdivision 1; 118.10; 136.31, subdivision 6; 427.01; 446A.11, subdivision 9; 475.67, subdivision 5; and 520.01, 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 38 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Krentz	Moe, R.D.	Ranum
Beckman	Dille	Kroening	Mondale	Samuelson
Belanger	Finn	Langseth	Morse	Solon
Berglin	Flynn	Lessard	Murphy	Spear
Bertram	Hanson	Luther	Novak	Vickerman
Betzold	Hottinger	Marty	Pappas	Wiener
Chandler	Johnson, D.J.	Merriam	Pogemiller	
Chmielewski	Kelly	Metzen	Price	

Those who voted in the negative were:

Benson, D.D.	Johnson, D.E.	Larson	Olson	Stumpf
Benson, J.E.	Johnson	Lesewski	Pariseau	Terwilliger
Berg	Kiscaden	McGowan	Robertson	
Day	Knutson	Neuville	Runbeck	
Frederickson	Laidig	Oliver	Stevens	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Chmielewski in the chair.

After some time spent therein, the committee arose, and Mr. Chmielewski reported that the committee had considered the following:

S.F. Nos. 568, 5, 484 and H.F. No. 233, which the committee recommends to pass.

S.F. No. 33, which the committee recommends to pass after the following motions:

Mr. Pogemiller moved to amend S.F. No. 33 as follows:

Page 7, line 36, after the period, insert "*Subdivision 2, clauses (2) and (3), do not impair the right of any individual or group to engage in speech protected by the federal Constitution, the state Constitution, or federal or state law, including peaceful and lawful handbilling and picketing.*"

The motion prevailed. So the amendment was adopted.

Mr. Neuville moved to amend S.F. No. 33 as follows:

Page 5, line 3, delete everything after "*that*" and insert "*the actor knew or reasonably should have known would cause the victim*"

Page 5, line 4, delete "*under the circumstances*"

Page 6, line 23, delete everything after "*that*" and insert "*the actor knew or reasonably should have known would cause the victim*"

Page 6, line 24, delete "*under the circumstances*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 36, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Johnson, D.E.	Larson	Pariseau
Beckman	Day	Johnson, D.J.	Lesewski	Sams
Belanger	Dille	Johnston	Lessard	Samuelson
Benson, D.D.	Frederickson	Knutson	Neuville	Stevens
Benson, J.E.	Hanson	Kroening	Oliver	Terwilliger
Bertram	Janezich	Laidig	Olson	Vickerman

Those who voted in the negative were:

Anderson	Johnson, J.B.	Merriam	Piper	Solon
Berglin	Kelly	Metzen	Pogemiller	Spear
Betzold	Kiscaden	Moe, R.D.	Price	Stumpf
Chandler	Krentz	Mondale	Ranum	Wiener
Cohen	Langseth	Morse	Reichgott	
Finn	Luther	Murphy	Riveness	
Flynn	Marty	Novak	Robertson	
Hottinger	McGowan	Pappas	Runbeck	

The motion did not prevail. So the amendment was not 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 Orders of Business of Messages From the House, Reports of Committees and Second Reading of Senate Bills.

### MESSAGES FROM THE HOUSE

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. 585, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 585 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 31, 1993

### CONFERENCE COMMITTEE REPORT ON H.F. NO. 585

A bill for an act relating to human rights; prohibiting unfair discriminatory practices on the basis of sexual or affectional orientation; amending Minnesota Statutes 1992, sections 363.01, subdivision 23, and by adding a subdivision; 363.02, subdivisions 1, 2, 4, and by adding a subdivision; 363.03, subdivisions 1, 2, 3, 4, 5, 7, 8, and 8a; 363.05, subdivision 1; 363.11; 363.115; and 363.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 363.

March 30, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

We, the undersigned conferees for H.F. No. 585, 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. 585 be further amended as follows:

Page 1, line 20, delete "*or affectional*"

Page 1, line 24, delete "*OR AFFECTIONAL*" and delete "*or*"

Page 1, line 25, delete "*affectional*"

Page 2, line 3, delete "*or affectional*"

Page 2, line 15, delete "*or affectional*" and delete the third "*or*"

Page 2, line 16, delete "*affectional*"



Page 2, line 21, after "*friends*" insert ", *counselors*."

Page 2, line 25, delete "*or affectional*"

Page 5, line 15, delete "*or affectional*"

Page 7, line 3, after "*friends*" insert ", *counselors*."

Page 7, line 7, delete "*or affectional*"

Page 7, line 22, delete "*such*" and insert "*the*"

Page 8, line 11, delete "*or*"

Page 8, line 12, delete "*affectional*"

Page 8, line 25, delete "*or affectional*"

Page 8, line 35, delete "*or*"

Page 8, line 36, delete "*affectional*"

Page 9, line 14, delete "*or affectional*"

Page 10, line 8, delete "*or*"

Page 10, line 9, delete "*affectional*"

Page 10, line 18, delete "*or affectional*"

Page 12, lines 7, 12, and 29, delete "*or affectional*"

Page 13, line 8, delete "*or*"

Page 13, line 9, delete "*affectional*"

Page 13, line 15, delete "*or*"

Page 13, line 16, delete "*affectional*"

Page 13, line 19, delete "*or*"

Page 13, line 20, delete "*affectional*"

Page 13, line 32, delete "*or affectional*"

Page 14, lines 13 and 25, delete "*or affectional*"

Page 15, line 6, delete "*or affectional*"

Page 16, line 6, delete "*or affectional*"

Page 22, line 12, delete "*or affectional*"

Page 25, line 29, delete "*or affectional*"

Page 26, lines 7, 12, and 31, delete "*or affectional*"

Page 27, lines 13 and 35, delete "*or affectional*"

Page 29, line 21, delete "*or affectional*"

Page 30, line 13, delete "*or*"

Page 30, line 14, delete "*affectional*"

Page 30, lines 24 and 35, delete "*or affectional*"

Page 31, line 3, delete "or"

Page 31, line 4, delete "affectional"

Page 31, lines 6, 10, and 14, delete "or affectional"

Amend the title as follows:

Page 1, line 3, delete "or"

Page 1, line 4, delete "affectional"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Karen Clark, Howard Orenstein, Dave Bishop

Senate Conferees: (Signed) Allan H. Spear, Ember D. Reichgott, William V. Belanger, Jr.

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on H.F. No. 585 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.

H.F. No. 585 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 38 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Lesewski	Murphy	Riveness
Belanger	Janezich	Luther	Novak	Robertson
Berglin	Johnson, D.E.	Marty	Pappas	Solon
Betzold	Johnson, D.J.	Merriam	Piper	Spear
Chandler	Johnson, J.B.	Metzen	Pogemiller	Terwilliger
Cohen	Kelly	Moe, R.D.	Price	Wiener
Finn	Kiscaden	Mondale	Ranum	
Flynn	Krentz	Morse	Reichgott	

Those who voted in the negative were:

Adkins	Chmielewski	Knutson	McGowan	Sams
Beckman	Day	Kroening	Neuville	Samuelson
Benson, D.D.	Dille	Laidig	Oliver	Stevens
Benson, J.E.	Frederickson	Langseth	Olson	Stumpf
Berg	Hanson	Larson	Pariseau	Vickerman
Bertram	Johnston	Lessard	Runbeck	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby H.F. No. 585 was passed by the Senate on April 1, 1993, be now reconsidered. The motion prevailed.

H.F. No. 585 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 37 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Hottinger	Luther	Novak	Robertson
Belanger	Janezich	Marty	Pappas	Solon
Berghin	Johnson, D.E.	Merriam	Piper	Spear
Betzold	Johnson, D.J.	Metzen	Pogemiller	Terwilliger
Chandler	Johnson, J.B.	Moe, R.D.	Price	Wiener
Cohen	Kelly	Mondale	Ranum	
Finn	Kiscaden	Morse	Reichgott	
Flynn	Krentz	Murphy	Riveness	

Those who voted in the negative were:

Adkins	Chmielewski	Knutson	Lessard	Runbeck
Beckman	Day	Kroening	McGowan	Sams
Benson, D.D.	Dille	Laidig	Neuville	Samuelson
Benson, J.E.	Frederickson	Langseth	Oliver	Stevens
Berg	Hanson	Larson	Olson	Stumpf
Bertram	Johnston	Lesewski	Pariseau	Vickerman

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### 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. 861. The motion prevailed.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1266: A bill for an act relating to agriculture; renaming the commissioner and department of agriculture as the commissioner and department of agriculture, food, and land stewardship; clarifying the commissioner's authority and responsibilities; appropriating money for a study; amending Minnesota Statutes 1992, sections 17.01; and 17.013; proposing coding for new law in Minnesota Statutes, chapter 17.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, delete section 5

Amend the title as follows:

Page 1, line 6, delete "appropriating money for a study;"

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 861: A bill for an act relating to the agricultural finance authority; authorizing direct loans and participations; increasing the dollar limit; amending Minnesota Statutes 1992, sections 41B.02, by adding a subdivision; and 41B.043.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, delete "*or participation*"

Page 2, delete line 12 and insert "*may exceed \$20,000 or \$50,000 for a loan participation or be made to refinance an existing*"

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. Metzger from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1421: A bill for an act relating to state government; correcting erroneous, ambiguous, obsolete, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions in Minnesota Rules; making technical corrections; correcting Minnesota Rules, parts 1200.0300; 1400.0500; 3530.0200; 3530.0300; 3530.1500; 3530.2614; 3530.2642; 4685.0100; 4685.3000; 4685.3200; 4692.0020; 5000.0400; 6105.0400; 6105.0410; 6105.0510; 6105.0630; 6105.0850; 6105.0870; 6105.1440; 6105.1460; 6105.1670; 7045.0075; 7411.7100; 7411.7400; 7411.7700; 7640.0140; 7856.2020; 7883.0100; 8130.3500; 8130.6500; 8800.1200; 8800.1400; 8800.3100; 8820.0600; 8820.2300; 9050.0040; 9050.0300; 9050.0500; 9050.0520; 9050.1070; 9505.0323; and 9505.2175; repealing Minnesota Rules, parts 1300.0100; 1300.0200; 1300.0300; 1300.0400; 1300.0500; 1300.0600; 1300.0700; 1300.0800; 1300.0900; 1300.0940; 1300.0942; 1300.0944; 1300.0946; 1300.0948; 1300.1000; 1300.1100; 1300.1150; 1300.1200; 1300.1300; 1300.1400; 1300.1500; 1300.1600; 1300.1700; 1300.1800; 1300.1900; 1300.2000; 4685.2600; 4692.0020, subpart 2; 4692.0045; 7856.0100, subpart 5; 8017.5000; 8115.0200; 8115.0300; 8115.0400; 8115.0500; 8115.0600; 8115.1000; 8115.1100; 8115.1200; 8115.1300; 8115.1400; 8115.1500; 8115.1600; 8115.1700; 8115.1800; 8115.1900; 8115.2000; 8115.2100; 8115.2200; 8115.2300; 8115.2400; 8115.2500; 8115.2600; 8115.2700; 8115.2800; 8115.2900; 8115.3000; 8115.4000; 8115.4100; 8115.4200; 8115.4300; 8115.4400; 8115.4500; 8115.4600; 8115.4700; 8115.4800; 8115.4900; 8115.5000; 8115.5100; 8115.5200; 8115.5300; 8115.5400; 8115.5500; 8115.5600; 8115.5700; 8115.5800; 8115.5900; 8115.6000; 8115.6100; 8115.6200; 8115.6300; 8115.6400; 8115.9900; 8120.0800; 8120.1400; 8120.1700; 8120.2800, subpart 1; 8120.5100, subpart 1; 8130.9500, subpart 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; 8130.9996; 8150.0190; 8150.0200; 8150.0400; 8150.0500; 8150.0600; 8150.0700; 8150.1405; 8150.1410; 8150.1415; 8150.1420; 8150.1425; 8150.1430; 8150.1435; 8150.1440; 8150.1445; 8150.1505; 8150.1510; 8150.1515; 8150.1520; 8150.1525; 8150.1540; 8150.1545; 8150.1600; 8150.1800; 8150.1900; 8150.2000; 8150.2100; 8150.2205; 8150.2210; 8150.2300; and 8150.2400.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 996: A bill for an act relating to weights and measures; correcting name of accountant's organization; amending Minnesota Statutes 1992, section 239.05, subdivision 2c.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 168: 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 1992, sections 3.30, subdivision 2; 7.09, subdivision 1; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.223, subdivision 2; 298.28, subdivision 7; and 298.296, subdivision 1; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 19 to 26, delete sections 50 to 57

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 17, delete everything after "offices"

Page 1, delete lines 18 to 21

Page 1, line 22, delete everything before the period

And when so amended the bill be re-referred to the Committee on Metropolitan and Local Government without recommendation. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 35: A bill for an act relating to motor vehicles; exempting certain manufacturers of snowmobile trailers from being required to have a dealer's license to transport the trailers; amending Minnesota Statutes 1992, section 168.27, subdivision 22.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 386: A bill for an act relating to drivers' licenses; raising fee for two-wheeled vehicle endorsement; amending Minnesota Statutes 1992, section 171.06, subdivision 2a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 560: A bill for an act relating to the hospital construction moratorium, making the moratorium permanent; amending Minnesota Statutes 1992, section 144.551, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete line 9 and insert "(a) Until July 1, ~~1993~~ 1996, the following construction or"

Amend the title as follows:

Page 1, line 3, delete "making" and insert "extending" and delete "permanent"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 62A.021, subdivision 1; 62A.65; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivision 2; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 256; and 295;

proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; and Laws 1992, chapter 549, article 9, section 19, 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

### INTEGRATED SERVICE NETWORKS

#### Section 1. [62N.01] [CITATION AND PURPOSE.]

*Subdivision 1. [CITATION.] Sections 62N.01 to 62N.22 may be cited as the “Minnesota integrated service network act.”*

*Subd. 2. [PURPOSE.] Sections 62N.01 to 62N.22 allow the creation of integrated service networks that will be responsible for arranging for or delivering a full array of health care services, from routine primary and preventive care through acute inpatient hospital care, to a defined population for a fixed price from a purchaser.*

*Each integrated service network is accountable to keep its total revenues within the limit of growth set by the commissioner of health under section 62N.05, subdivision 2, clause (1). Integrated service networks can be formed by health care providers, health maintenance organizations, insurance companies, employers, or other organizations. Competition between integrated service networks on the quality and price of health care services is encouraged.*

#### Sec. 2. [62N.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 62N.01 to 62N.22.*

*Subd. 2. [COMMISSION.] “Commission” means the health care commission established under section 62J.05.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner of health or the commissioner’s designated representative.*

*Subd. 4. [ENROLLEE.] “Enrollee” means an individual, including a member of a group, to whom a network is obligated to provide health services under this chapter.*

*Subd. 5. [HEALTH CARE PROVIDING ENTITY.] “Health care providing entity” means a participating entity that provides health care to enrollees through an integrated service network.*

*Subd. 6. [HEALTH PLAN.] “Health plan” means a health plan as defined in section 62A.011, subdivision 3, or coverage by an integrated service network.*

*Subd. 7. [INTEGRATED SERVICE NETWORK.] “Integrated service network” means a formal arrangement permitted by this chapter for providing health services under this chapter to enrollees for a fixed payment per time period.*

*Subd. 8. [NETWORK.] “Network” means an integrated service network as defined in subdivision 7.*

*Subd. 9. [PARTICIPATING ENTITY.] "Participating entity" means a health care providing entity, a risk-bearing entity, or an entity providing other services through an integrated service network.*

*Subd. 10. [PRICE.] "Price" means the actual amount of money paid, after discounts or other adjustments, by the person or organization paying money to buy health care coverage and health care services. "Price" does not mean the cost or costs incurred by a network or other entity to provide health care services to individuals.*

*Subd. 11. [RISK-BEARING ENTITY.] "Risk-bearing entity" means an entity that participates in an integrated service network so as to bear all or part of the risk of loss. "Risk-bearing entity" includes an entity that provides reinsurance, stop-loss, excess-of-loss, and similar coverage.*

**Sec. 3. [62N.03] [APPLICABILITY OF OTHER LAW.]**

*Chapters 60A, 60B, 60G, 61A, 61B, 62A, 62C, 62D, 62E, 62H, 62L, 62M, and 64B do not, except as expressly provided in this chapter or in those other chapters, apply to integrated service networks, or to entities otherwise subject to those chapters, with respect to participation by those entities in integrated service networks. Chapters 72A and 72C apply to integrated service networks, except as otherwise expressly provided in this chapter.*

*Integrated service networks are in "the business of insurance" for purposes of the federal McCarran-Ferguson Act, United States Code, title 15, section 1012, are "domestic insurance companies" for purposes of the federal Bankruptcy Reform Act of 1978, United States Code, title 11, section 109, and are "insurance" for purposes of the federal Employee Retirement Income Security Act, United States Code, title 29, section 1144.*

**Sec. 4. [62N.04] [REGULATION.]**

*Integrated service networks are under the supervision of the commissioner, who shall enforce this chapter. The commissioner has, with respect to this chapter, all enforcement and rulemaking powers available to the commissioner under section 62D.17.*

**Sec. 5. [62N.05] [RULES GOVERNING INTEGRATED SERVICE NETWORKS.]**

*Subdivision 1. [RULES.] The commissioner, in consultation with the commission, may adopt emergency and permanent rules to establish more detailed requirements governing integrated service networks in accordance with this chapter.*

*Subd. 2. [REQUIREMENTS.] The commissioner shall include in the rules, requirements that will ensure that the annual rate of growth of an integrated service network's aggregate total revenues received from purchasers and enrollees, after adjustments for changes in population size and risk, does not exceed the growth limit established in section 62J.04. The commissioner may include in the rules the following:*

- (1) requirements for licensure, including a fee for initial application and an annual fee for renewal;*
- (2) quality standards;*
- (3) requirements for availability and comprehensiveness of services;*



(4) limitations on additional health care services beyond those included in the standard set of benefits;

(5) requirements regarding the defined population to be served by an integrated service network;

(6) requirements for open enrollment;

(7) provisions for incentives for networks to accept as enrollees individuals who have high risks for needing health care services and individuals and groups with special needs;

(8) prohibitions against disenrolling individuals or groups with high risks or special needs;

(9) requirements that an integrated service network provide to its enrollees information on coverage, including any limitations on coverage, deductibles and copayments, optional services available and the price or prices of those services, any restrictions on emergency services and services provided outside of the network's service area, any responsibilities enrollees have, and describing how an enrollee can use the network's enrollee complaint resolution system;

(10) requirements for financial solvency and stability;

(11) a deposit requirement;

(12) financial reporting and examination requirements;

(13) limits on copayments and deductibles;

(14) mechanisms to prevent and remedy unfair competition;

(15) provisions to reduce or eliminate undesirable barriers to the formation of new integrated service networks;

(16) requirements for maintenance and reporting of information on costs, prices, revenues, volume of services, and outcomes and quality of services;

(17) a provision allowing an integrated service network to set credentialing standards for practitioners employed by or under contract with the network;

(18) a requirement that an integrated service network employ or contract with practitioners and other health care providers, and minimum requirements for those contracts if the commissioner deems requirements to be necessary to ensure that each network will be able to control expenditures and revenues or to protect enrollees and potential enrollees;

(19) provisions regarding liability for medical malpractice;

(20) a method or methods to facilitate and encourage the appropriate provision of services by midlevel practitioners;

(21) provisions regarding permissible and impermissible underwriting criteria applicable to the standard set of benefits;

(22) a method or methods to assure that all integrated service networks are subject to the same regulatory requirements. All health carriers, including health maintenance organizations, insurers, and nonprofit health service plan corporations shall be regulated under the same rules, to the extent that the

health carrier is operating an integrated service network or is a participating entity in an integrated service network;

(23) provisions for appropriate risk adjusters or other methods to prevent or compensate for adverse selection of enrollees into or out of an integrated service network; and

(24) other provisions that the commissioner, in consultation with the Minnesota health care commission, considers reasonable.

*Subd. 3. [CRITERIA FOR RULEMAKING.] (a) [APPLICABILITY.] The commissioner shall adopt rules governing integrated service networks based on the criteria and objectives specified in this subdivision.*

*(b) [COMPETITION.] The rules must encourage and facilitate competition through the collection and distribution of reliable information on the cost, prices, and quality of each integrated service network in a manner that allows comparisons between networks.*

*(c) [FLEXIBILITY.] The rules must allow significant flexibility in the structure and organization of integrated service networks. The rules must allow and facilitate the formation of networks by providers, employers, and other organizations, in addition to health plans and health maintenance organizations.*

*(d) [EXPANDING ACCESS AND COVERAGE.] The rules must be designed to expand access to health care services and coverage for all Minnesotans, including individuals and groups who have preexisting health conditions, who represent a higher risk of requiring treatment, who require translation or other special services to facilitate treatment, who face social or cultural barriers to obtaining health care, or who for other reasons face barriers to access to health care and coverage. Enrollment standards must ensure that high risk and special needs populations will be included and growth limits and payment systems must be designed to provide incentives for networks to enroll even the most challenging and costly groups and populations. The rules must be consistent with the principles of health insurance reform that are reflected in Laws 1992, chapter 549.*

*(e) [ABILITY TO BEAR FINANCIAL RISK.] The rules must allow a variety of options for integrated service networks to demonstrate their ability to bear the financial risk of serving their enrollees, to facilitate diversity and innovation and the entry into the market of new networks.*

*(f) [PARTICIPATION OF PROVIDERS.] The rules must not require providers to participate in an integrated service network and must allow providers to participate in more than one network and to serve both patients who are covered by an integrated service network and patients who are not. The rules must allow significant flexibility for an integrated service network and providers to define and negotiate the terms and conditions of provider participation. The rules must encourage and facilitate the participation of midlevel practitioners and allied health care practitioners and eliminate inappropriate barriers to their participation.*

*(g) [RURAL COMMUNITIES.] The rules must permit a variety of forms of integrated service networks to be developed in rural areas in response to the needs, preferences, and conditions of rural communities.*

(h) [LIMITS ON GROWTH.] *The rules must include provisions to enable the commissioner to enforce the limits on growth in health care total revenues for each integrated service network and for the entire system of integrated service networks.*

(i) [STANDARD BENEFIT SET.] *The commission shall make recommendations to the commissioner regarding a standard benefit set.*

(j) [CONFLICT OF INTEREST.] *The rules shall include provisions the commissioner deems necessary and appropriate to address integrated service networks' and participating providers' relationship to section 62J.23 or other laws relating to provider conflicts of interest.*

#### Sec. 6. [62N.06] [PERMITTED NETWORK STRUCTURE.]

*Subdivision 1. [NONPROFIT CORPORATION.] A corporation organized under chapter 317A may operate one or more integrated service networks. A corporation that operates one or more integrated service networks is governed by chapter 317A, except in the case of a conflict with this chapter, in which case this chapter governs. The corporation shall not engage in activities unrelated to integrated service networks, without the prior written approval of the commissioner. An entity that is not a corporation organized under chapter 317A shall not operate a network but may establish and own a corporation organized under chapter 317A to operate one or more networks.*

*Subd. 2. [SEPARATE ACCOUNTING REQUIRED.] A corporation operating more than one integrated service network must maintain separate accounting and record keeping procedures, acceptable to the commissioner, for each integrated service network.*

#### Sec. 7. [62N.065] [ADMINISTRATIVE COST CONTAINMENT.]

*Subdivision 1. [UNREASONABLE EXPENSES.] No integrated service network shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.*

*In an effort to achieve the stated purposes of sections 62N.01 to 62N.23, in order to safeguard the underlying nonprofit status of integrated service networks, and to ensure that the payment of integrated service network money to major participating entities results in a corresponding benefit to the integrated service network and its enrollees, when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the integrated service network have acted with good faith and in the best interests of the integrated service network in entering into, and performing under, a contract under which the integrated service network has incurred an expense. The commissioner has standing to sue, on behalf of an integrated service network, officers or trustees of the integrated service network who have breached their fiduciary duty in entering into and performing such contracts.*

*Subd. 2. [DATA ON PAYMENTS.] Integrated service networks shall keep on file in the offices of the integrated service network data on the payments, salaries, and other remuneration paid to for-profit firms, affiliates, or to persons, for administrative expenses, service contracts, and management of*

the integrated service network and shall make it available to the commissioner.

*Subd. 3. [ADMINISTRATIVE COST REDUCTIONS.] The commissioner shall establish a plan that requires integrated service networks to lower their administrative expenses and costs for each of the five years 1994 to 1998. This plan shall require lower administrative expenses in order to reflect savings experienced by integrated service networks from lowered reporting requirements, lowered underwriting and marketing expenses, and other features of the integrated service network plan.*

*Subd. 4. [DISAPPROVAL OF CONTRACTS.] The commissioner shall review all payments, administrative contracts, service contracts, and other agreements to determine the reasonableness of the cost of the contracts or agreements and effect of the contracts or agreements on the price of the integrated service network to enrollees. If the commissioner determines that a contract or agreement is not reasonable, the commissioner shall disapprove the contract or agreement. The commissioner may request any information that is necessary to determine if costs are reasonable.*

*The commissioner shall give reasons for the disapproval in writing to the integrated service network. This notice shall state that a hearing will be granted within 20 days after a request in writing by the integrated service network.*

**Sec. 8. [62N.07] [PURPOSE.]**

*The legislature finds that previous cost containment efforts have focused on reducing benefits and services, eliminating access to certain provider groups, and otherwise reducing the level of care available. Under a system of overall spending controls, these cost containment approaches will, in the absence of controls on cost shifting, shift costs from the payor to the consumer, to government programs, and to providers in the form of uncompensated care. The legislature further finds that the integrated service network benefit package should be designed to promote coordinated, cost-effective delivery of all health services an enrollee needs without cost shifting. The legislature further finds that affordability of health coverage is a high priority and that lower cost coverage options should be made available through the use of copayments, coinsurance, and deductibles to reduce premium costs rather than through the exclusion of services or providers.*

**Sec. 9. [62N.075] [COVERED SERVICES.]**

*(a) An integrated service network must provide to each person enrolled a comprehensive set of appropriate and necessary health services. For purposes of this chapter, "appropriate and necessary" means services needed to maintain the enrollee in good health including as a minimum, but not limited to, emergency care, inpatient hospital and physician care, outpatient health services, and preventative health services. The commissioner may modify this definition to reflect changes in community standards, development of practice parameters, new technology assessments, and other medical innovations. These services must be delivered by authorized practitioners acting within their scope of practice. An integrated service network is not responsible for health services that are not appropriate and necessary.*

*(b) A network may define benefit levels through the use of consumer cost*

*sharing but remains financially accountable for costs of the full set of comprehensive health services required.*

*(c) A network may offer any Medicare supplement, Medicare select, or other Medicare-related product otherwise permitted for any type of health plan in this state. Each Medicare-related product may be offered only in full compliance with the requirements in chapters 62A, 62D, and 62E that apply to that category of product.*

*(d) Networks must comply with all continuation and conversion of coverage requirements applicable to health maintenance organizations under state or federal law.*

*(e) Networks must comply with sections 62A.047, 62A.27, and any other coverage of newborn infants, dependent children who do not reside with a covered person, handicapped children and dependents, and adopted children. A network providing dependent coverage must comply with section 62A.302.*

*(f) Networks must comply with the equal access requirements of section 62A.15, subdivision 2.*

#### Sec. 10. [62N.08] [AVAILABILITY OF SERVICES.]

*(a) An integrated service network is financially responsible to provide to each person enrolled all comprehensive health services required by statute, by the contract of coverage, or otherwise required under section 62N.07.*

*(b) The commissioner shall require that networks provide all appropriate and necessary health services within a reasonable geographic distance for enrollees. The commissioner may adopt rules providing a more detailed requirement, consistent with this paragraph.*

#### Sec. 11. [62N.085] [ESTABLISHMENT OF STANDARDIZED BENEFIT PLANS.]

*The commissioner of health shall adopt emergency and permanent rules to establish not more than five standardized benefit plans which must be offered by integrated service networks. The plans must comply with the requirements of sections 62N.07 to 62N.08 and the other requirements of this chapter. The plans must encompass a range of cost sharing options from (1) lower premium costs combined with higher enrollee cost sharing, to (2) higher premium costs combined with lower enrollee cost sharing.*

#### Sec. 12. [62N.086] [ADDITIONAL BENEFIT OPTIONS.]

*The commissioner of health shall adopt emergency and permanent rules to establish not more than three standardized benefit riders which may be offered by integrated service networks. An integrated service network may not provide benefit options other than the standard benefit package and one or more of the standardized riders.*

#### Sec. 13. [62N.087] [COST SHARING.]

*(a) A network may define benefit levels through the use of consumer cost sharing. For the purposes of this chapter, "consumer cost sharing" means copayments, deductibles, coinsurance, and other out-of-pocket expenses paid by the individual consumer of health care services.*

*(b) The following principles apply to cost sharing in an integrated service network:*

(1) consumers must have a voice in decisions regarding cost sharing, and the process for establishing consumer cost sharing should have consumer representation and input;

(2) consumer cost sharing must be administratively feasible and consistent with efforts to reduce the overall administrative burden of the health care system;

(3) cost sharing must be based on income and an enrollee's ability to pay for services and should not create a barrier to access to appropriate and effective services;

(4) cost sharing must be capped at a predetermined annual limit to protect individuals and families from financial catastrophe and to protect individuals with substantial health care needs;

(5) child health supervision services, immunizations, prenatal care, and other prevention services must not be subjected to cost sharing; and

(6) additional requirements for networks should be established to assist enrollees for whom an inducement in addition to the elimination of cost sharing is necessary in order to encourage them to use cost-effective preventive services. These requirements may include the provision of educational information, assistance or guidance, and opportunities for responsible decision making by enrollees that minimize potential out-of-pocket costs.

#### Sec. 14. [62N.10] [LICENSING.]

Subdivision 1. [REQUIREMENTS.] All integrated service networks must be licensed by the commissioner. Licensure requirements are:

(1) the ability to be responsible for the full continuum of required health care and related costs for the defined population that the integrated service network will serve;

(2) the ability to satisfy standards for quality of care;

(3) financial solvency; and

(4) the ability to fully comply with this chapter and all other applicable law.

The commissioner may adopt rules to specify licensure requirements for integrated service networks in greater detail, consistent with this subdivision.

Subd. 2. [FEES.] Licensees shall pay an initial fee of \$..... and a renewal fee of \$..... each following year to the commissioner of health.

Subd. 3. [LOSS OF LICENSE.] The commissioner may fine a licensee or suspend or revoke a license for violations of rules or statutes pertaining to integrated service networks.

Subd. 4. [PARTICIPATION; GOVERNMENT PROGRAMS.] Integrated service networks shall, as a condition of licensure, participate in the medical assistance, general assistance medical care, and MinnesotaCare programs. The commissioner shall adopt rules specifying the participation required of the networks. The rules must be consistent with Minnesota Rules, parts 9505.5200 to 9505.5260, governing participation by health maintenance organizations in public health care programs.

Subd. 5. [APPLICATION.] Each application for an integrated service

network license must be in a form prescribed by the commissioner. Each application must include the following:

(1) a copy of the basic organizational document, if any, of the applicant and, at the request of the commissioner, of each participating entity, the articles of incorporation, or other applicable documents, and all amendments;

(2) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments which regulate the conduct of the affairs of the applicant, and of any participating entity, at the request of the commissioner;

(3) a list of the names, addresses, and official positions of the following:

(i) 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

(ii) at the request of the commissioner, all members of the board of directors, or governing body of the local government unit, and the principal officers of any participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the participating entity;

(4) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(5) a copy of the form of each contract binding any or all of the participating entities and the integrated service network;

(6) at the request of the commissioner, a copy of each contract binding any or all of the participating entities and the network. Contract information filed with the commissioner is private and subject to section 13.37, subdivision 1, paragraph (b), at the request of the network;

(7) a statement generally describing the applicant and the network, its network contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with the required network services and any additional services;

(8) a copy of the form of each evidence of coverage to be issued to the enrollees;

(9) a copy of the form of each individual or group contract which is to be issued to enrollees or their representatives;

(10) 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;

(11) a financial plan that includes a three-year projection of the expenses and income and other sources of future capital;

(12) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(13) a description of the complaint procedures to be used as required;

(14) a copy of any agreement between the network and an insurer or nonprofit health service plan corporation regarding reinsurance, stop-loss or

*excess-of-loss coverage, insolvency coverage, or any other type of coverage for potential costs of health services;*

*(15) a statement indicating how the network will meet its potential tort liabilities; for medical malpractice and other sources of liability, together with copies of any related insurance policies and liability-related agreements with its participating entities;*

*(16) a copy of the conflict of interest policy which applies to all members of the board of directors and the principal officers of the network;*

*(17) a copy of the statement that describes the network's prior authorization, referral, second opinion, and utilization review procedures; and*

*(18) other information that the commissioner of health may reasonably require to be provided.*

*Subd. 6. [DOCUMENTS ON FILE.] A network shall agree to retain in its files any documents specified by the commissioner. A network shall permit the commissioner to examine those documents at any time and shall promptly provide copies of any of them to the commissioner upon request.*

#### Sec. 15. [62N.11] [EVIDENCE OF COVERAGE.]

*Subdivision 1. [APPLICABILITY.] Every integrated service network enrollee residing in this state is entitled to evidence of coverage or contract. The integrated service network or its designated representative shall issue the evidence of coverage or contract. "Evidence of coverage" means evidence that an enrollee is covered by a group contract issued to the group.*

*Subd. 2. [FILING.] No evidence of coverage or contract or amendment of coverage or contract shall be issued or delivered to any individual in this state until a copy of the form of the evidence of coverage or contract or amendment of coverage or contract has been filed with and approved by the commissioner.*

*Subd. 3. [CONTENTS.] Contracts and evidences of coverage must contain:*

*(a) no provision or statement that is unjust, unfair, inequitable, misleading, deceptive, or untrue; and*

*(b) a clear, concise, and complete statement of:*

*(1) the services or other benefits to which the enrollee is entitled under the integrated service network contract;*

*(2) any exclusions or limitations on the services, kind of services, benefits, or kind of benefits to be provided; including any deductible or copayment feature and requirements for referrals, prior authorizations, utilization review, and second opinions;*

*(3) where and in what manner information is available about how services, including emergency and out-of-area services, may be obtained;*

*(4) the total amount of payment and copayment, if any, for health care services and for the indemnity or service benefits, if any, that the enrollee is obligated to pay with respect to individual contracts; and*

*(5) a description of the network's method for resolving enrollee complaints and a statement identifying the department of health as the regulatory agency with whom grievances may be registered.*



*Subd. 4. [GRACE PERIOD.] A grace period of 31 days must be granted for payment of each premium for an individual integrated service network contract falling due after the first premium, during which period the contract continues in force. Individual network contracts must clearly state the existence of the grace period.*

*Subd. 5. [CANCELLATION OF CONTRACT.] Individual integrated service network contracts must state that the individual may cancel the contract within ten days of its receipt and have the premium paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual must be required to pay the network for any services rendered or claims paid by the network during the ten days.*

*Subd. 6. [TERMINATION.] The contract and evidence of coverage must clearly explain the conditions under which an integrated service network may terminate coverage.*

*Subd. 7. [CONTINUATION AND CONVERSION.] The contract and evidence of coverage must clearly explain continuation and conversion rights afforded to enrollees.*

*Subd. 8. [NOTICE.] Individual and group contract holders must be given 30 days' written notice of any change in enrollee copayments or benefits.*

*Subd. 9. [DELIVERY OF CONTRACT.] Individual integrated service network contracts must be delivered to enrollees no later than the date coverage is effective. For enrollees with group contracts, an evidence of coverage must be delivered or issued for delivery not more than 15 days from the date the integrated service network is notified of the enrollment or the effective date of coverage, whichever is later.*

*Subd. 10. [COMPLAINTS.] An individual integrated service network contract and an evidence of coverage must contain a department of health telephone number that the enrollee can call to register a complaint about the network.*

#### Sec. 16. [62N.12] [ENROLLEE RIGHTS.]

*The cover page of the evidence of coverage and contract must contain a clear and complete statement of an enrollee's rights as a consumer. The statement must be in bold print and captioned "Important Consumer Information and Enrollee Bill of Rights" and must include but need not be limited to the following provisions in the following language or in substantially similar language approved in advance by the commissioner:*

#### "CONSUMER INFORMATION

*(1) COVERED SERVICES: Services provided by (name of integrated service network) will be covered only if services are provided by participating (name of integrated service network) providers or authorized by (name of integrated service network). Your contract fully defines what services are covered and describes procedures you must follow to obtain coverage.*

*(2) PROVIDERS: Enrolling in (name of integrated service network) does not guarantee services by a particular provider on the list of providers. When a provider is no longer part of (name of integrated service network), you must choose among remaining (name of integrated service network) providers.*

(3) *REFERRALS*: Certain services are covered only upon referral. See section (section number) of your contract for referral requirements. All referrals to non-(name of integrated service network) providers and certain types of health care providers must be authorized by (name of integrated service network).

(4) *EMERGENCY SERVICES*: Emergency services from providers who are not affiliated with (name of integrated service network) will be covered only if proper procedures are followed. Your contract explains the procedures and benefits associated with emergency care from (name of integrated service network) and non-(name of integrated service network) providers.

(5) *EXCLUSIONS*: Certain services or medical supplies are not covered. You should read the contract for a detailed explanation of all exclusions.

(6) *CONTINUATION*: You may convert to an individual integrated service network contract or continue coverage under certain circumstances. These continuation and conversion rights are explained fully in your contract.

(7) *CANCELLATION*: Your coverage may be canceled by you or (name of integrated service network) only under certain conditions. Your contract describes all reasons for cancellation of coverage.

#### ENROLLEE BILL OF RIGHTS

(1) An enrollee has the right to available and accessible services including emergency services, as defined in your contract, 24 hours a day and seven days a week.

(2) An enrollee has the right to be informed of health problems, and to receive information regarding treatment alternatives and risks that is sufficient to assure informed choice.

(3) An enrollee has the right to refuse treatment, and the right to privacy of medical and financial records maintained by the integrated service network and its health care providers, in accordance with existing law.

(4) An enrollee has the right to file a grievance with the integrated service network and the commissioner of health and the right to initiate a legal proceeding when experiencing a problem with the integrated service network or its health care providers.

(5) An enrollee has the right to a grace period of 31 days for the payment of each premium for an individual integrated service network contract falling due after the first premium during which period the contract shall continue in force.

(6) A Medicare enrollee has the right to voluntarily disenroll from the integrated service network and the right not to be requested or encouraged to disenroll except in circumstances specified in federal law.

(7) A Medicare enrollee has the right to a clear description of nursing home and home care benefits covered by the integrated service network."

#### Sec. 17. [62N.13] [ENROLLEE COMPLAINT SYSTEM.]

Subdivision 1. [SCOPE.] Every integrated service network must establish and maintain an enrollee complaint system, including an impartial arbitration provision, to provide reasonable procedures for the resolution of written

complaints initiated by enrollees concerning the provision of health care services. "Provision of health care services" includes, but is not limited to, questions of the scope of coverage, quality of care, and administrative operations. Arbitration is subject to chapter 572, except:

(1) if an enrollee elects to litigate a complaint prior to submission to arbitration; and

(2) no medical malpractice damage claim is subject to arbitration unless agreed to by both parties subsequent to the event giving rise to the claim.

*Subd. 2. [COMMISSIONER REVIEW.]* If a complaint involves a dispute about an integrated service network's coverage of a service, the commissioner may review the complaint and any information and testimony necessary to make a determination and order the appropriate remedy pursuant to this chapter. If the commissioner obtains or maintains information on written complaints, the information is private data on individuals under chapter 13.

*Subd. 3. [EXPEDITED RESOLUTION OF COMPLAINTS ABOUT URGENTLY NEEDED SERVICE.]* In addition to any remedy contained in subdivision 2, if a complaint involves a dispute about an integrated service network's coverage of an immediately and urgently needed service, the commissioner may also order the integrated service network to use an expedited system to process the complaint.

*Subd. 4. [RECORDS.]* The integrated service network shall maintain a record of each written complaint filed with it for five years, and the commissioner of health shall have access to the records.

*Subd. 5. [DENIAL OF SERVICE.]* Within a reasonable time after receiving an enrollee's written or oral communication to the integrated service network concerning a refusal of service or inadequacy of services, the integrated service network shall provide the enrollee with a written statement of the reason for the refusal of service, and a statement approved by the commissioner of health that explains the integrated service network complaint procedures, and in the case of Medicare enrollees, that also explains Medicare appeal procedures.

*Subd. 6. [COVERAGE OF SERVICE.]* An integrated service network may not deny or limit coverage of a service that the enrollee has already received solely on the basis of a 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 integrated service network had a prior authorization or second opinion been obtained.

#### Sec. 18. [62N.14] [MEDICAL MALPRACTICE LIABILITY.]

*Subdivision 1. [MEDICAL MALPRACTICE LIABILITY BETWEEN INTEGRATED SERVICE NETWORK ENTITIES.]* An entity operating an integrated service network is liable for medical malpractice committed by its employees and is not liable for the malpractice of its other health care providing entities. Each health care providing entity is liable for its own medical malpractice and is not liable for the medical malpractice of other health care providing entities or for negligent supervision of other health care providing entities. Participating entities are not jointly and severally liable for torts committed by the network or by participating providers. A network and its participating entities may by contract reallocate between themselves the risk of malpractice liability through indemnity, contribution, joint insurance,

or otherwise, provided that the reallocation does not affect the rights of enrollees.

*Subd. 2. [MEDICAL MALPRACTICE CASES.] (a) In an action against a provider for malpractice, error, mistake, or failure to cure, whether based in contract or tort, adherence to a pertinent practice parameter approved by the commissioner of health is an absolute defense against an allegation that the provider did not comply with accepted standards of practice in the community.*

*(b) Evidence of a departure from a practice parameter is not admissible unless the provider is claiming the absolute defense under paragraph (a).*

*(c) Paragraphs (a) and (b) apply to claims arising on or after August 1, 1993, or 90 days after the date the commissioner approves the applicable practice parameter, whichever is later.*

*(d) Nothing in this section changes the plaintiff's burden of proof in a civil action against a provider or creates a new basis upon which to establish liability against a provider.*

**Sec. 19. [62N.15] [MARKETING.]**

*Subdivision 1. [PERMITTED PURCHASERS.] An integrated service network may contract to provide health services to:*

- (1) individuals, including dependents;*
- (2) groups of individuals, including employees of a private or public employer and individual members of an association, and their dependents;*
- (3) associations or other groups comprised of groups, including associations of employers;*
- (4) the public employees insurance plan and the private employers insurance program established under chapter 43A;*
- (5) any state or federal health program, including medical assistance, Medicare, MinnesotaCare, or general assistance medical care; and*
- (6) the comprehensive health association established in section 62E.10.*

*Integrated service networks are subject to section 62A.303 with respect to all enrolled groups, whether or not they are employer-based groups.*

*Subd. 2. [MARKETING CONDUITS.] An integrated service network may offer or sell its services through any person or method permitted to sell health coverage under chapter 60A, 60K, 62C, 62D, or 62L. Persons regulated under those chapters with respect to sales of coverage are subject to the supervision of the commissioner of commerce with respect to marketing of network coverage. The commissioner of health may adopt rules permitting the marketing of network coverage through other means.*

**Sec. 20. [62N.16] [UNDERWRITING AND RATING.]**

*Subdivision 1. [APPLICABILITY.] Except as provided in subdivision 3, this section applies to the standard benefit plan under section 62N.07 and does not apply to supplemental coverage described in section 62N.10. This section does not require coverage by an integrated service network of any group or individual residing outside of the network's service area. A network's service area includes a geographic and service region agreed to by the*

*commissioner and the network at the time of licensure. This section does not apply to any group that the commissioner determines is organized or functions primarily to provide coverage to one or more high risk individuals. The commissioner may adopt rules specifying other types of groups to which this section does not apply.*

*Subd. 2. [GROUP MEMBERS.] Integrated service networks shall charge the same rate for each individual in a group, except as appropriate to provide dependent or family coverage.*

*Subd. 3. [SMALL EMPLOYERS.] To provide services to employees of a small employer as defined in section 62L.02, integrated service networks shall comply with chapter 62L.*

**Sec. 21. [62N.17] [RELATIONSHIP; NETWORKS; COMPREHENSIVE HEALTH ASSOCIATION.]**

*A corporation operating an integrated service network is and must remain a contributing member of the comprehensive health association established under section 62E.10. Participating entities that are members of that association are assessable by the association on revenues derived from or through networks. Participating entities may claim a credit against assessment liability for assessments paid by the network with respect to the same premiums.*

**Sec. 22. [62N.18] [INSOLVENCY.]**

*Subdivision 1. [EFFECTS ON ENROLLEES.] Corporations that operate an integrated service network are not members of the life and health insurance guaranty association under chapter 61B. When a corporation operating a network becomes insolvent, its enrollees have the right to receive the same alternative coverage provided by the comprehensive health association under section 62D.181 to enrollees in insolvent health maintenance organizations.*

*Subd. 2. [NOTICE TO ENROLLEES.] Prospective enrollees in an integrated service network must be given, prior to their commitment to enroll, a written notice on a form approved by the commissioner describing the effects of, and their rights in the event of, an insolvency of the corporation operating the network.*

**Sec. 23. [62N.19] [LIQUIDATION, REHABILITATION, AND CONSERVATION PROCEEDINGS.]**

*The liquidation, rehabilitation, and conservation provisions of section 62D.18 and chapter 60B apply to an integrated service network.*

**Sec. 24. [62N.20] [RISK-BEARING ENTITIES.]**

*An entity operating an integrated service network may retain the risk of providing coverage or may transfer all or any part of the risk through purchase of reinsurance, including but not limited to stop-loss or excess-of-loss coverage, from an assuming insurer that qualifies under section 60A.092, a nonprofit health service plan corporation operating under chapter 62C, a health maintenance organization operating under chapter 62D, or another entity if first approved by the commissioner.*

**Sec. 25. [62N.21] [INSOLVENCY PREVENTION.]**

*Subdivision 1. [DEFINITIONS.] (a) The definitions provided in this subdivision apply to this section.*

*(b) "Admitted assets" means admitted assets as defined in section 62D.044.*

*(c) "Net worth" means net worth as defined in section 62D.02, subdivision 15.*

*(d) "Working capital" means current assets minus current liabilities.*

*(e) "Guaranteeing organization" means an organization that has agreed to make necessary contributions or advancements to an integrated service network to maintain the network's required net worth.*

*Subd. 2. [NET WORTH REQUIREMENT.] Except as permitted by subdivision 4, every entity operating an integrated service network must maintain a minimum net worth equal to the greater of:*

*(1) \$1,000,000; or*

*(2) an amount equal to 8-1/3 percent of the sum of all expenses expected to be incurred in the network's first 12 months of operation, or, for an existing network, 8-1/3 percent of the sum of all expenses incurred in the most recent calendar year.*

*Subd. 3. [PHASE-IN PROVISION.] A network satisfies subdivision 2 if the network meets the following phase-in schedule:*

*(1) 25 percent of the amount required by subdivision 2 as of the date that the network begins providing services;*

*(2) 50 percent of the amount required by subdivision 2 as of the end of the network's first year of providing services, except that if that date is not December 31, the network need not comply until the next December 31;*

*(3) 75 percent of the amount required by subdivision 2 as of the December 31 immediately following the December 31 deadline provided in clause (2);*

*(4) 100 percent of the amount required by subdivision 2 as of the December 31 immediately following the December 31 deadline provided in clause (3).*

*Subd. 4. [ALTERNATIVE SOLVENCY REQUIREMENT.] As an alternative to the net worth requirement under subdivision 2, the commissioner may permit an integrated service network to prove its financial solvency and stability by a means that does not satisfy that subdivision but that:*

*(1) is at least as protective of the welfare of the network's enrollees; and*

*(2) does not provide the network with an unfair advantage over competing networks.*

*In administering this subdivision, the commissioner may adopt emergency and permanent rules.*

*Subd. 5. [WORKING CAPITAL.] An integrated service network must maintain a positive working capital. If the network fails to meet this requirement, the commissioner and the network shall comply with section 62D.042, subdivision 7.*

*Subd. 6. [INVESTMENT OF NETWORK ASSETS.] An integrated service network shall invest its assets only in compliance with section 62D.045.*

*Subd. 7. [CREDIT FOR REINSURANCE.] An integrated service network may credit against its liabilities 90 percent of the premiums that it pays for reinsurance that complies with section 62N.20.*

*Subd. 8. [GUARANTEEING ORGANIZATION.] With the written approval of the commissioner, an integrated service network may satisfy the net worth requirement by arranging for a guaranteeing organization to assume the network's obligation to maintain the required net worth. A guaranteeing organization for a network shall comply with section 62D.043. A guaranteeing organization that is a health care provider may pledge real estate to satisfy its obligation, provided that the pledge is secured by a real estate mortgage recorded in the office of the county recorder or filed in the office of the county registrar of titles. The network shall provide a title opinion or title insurance policy and an appraisal at the request of the commissioner or as otherwise required by rule.*

*Subd. 9. [DEPOSIT REQUIREMENT.] (a) An integrated service network shall maintain at all times on deposit with the commissioner \$300,000 worth of cash, securities, or any combination of cash and securities. Securities must be United States Treasury obligations, unless otherwise permitted by the commissioner. The network may withdraw interest accrued on the deposit on a quarterly basis or as otherwise approved by the commissioner. With the approval of the commissioner, the deposit may be held by a third party independent trustee in a custodial or controlled account. A deposit is an admitted asset and counts toward the network's required net worth. A network may follow a phase-in schedule to comply with this paragraph as follows:*

*(1) \$150,000 as of the date that the network begins operations; and*

*(2) \$300,000 as of one year later.*

*(b) In lieu of the amount required under paragraph (a), the rules adopted under section 62N.05 may provide a deposit requirement specified on a per enrollee basis and eligible for a phase-in schedule no more lenient than that provided in paragraph (a).*

*Subd. 10. [USE OF DEPOSIT.] If the integrated service network is placed under an order of rehabilitation or conservation, the commissioner shall use the deposit to protect the interests of the enrollees and assure continuation of health care services to enrollees. If the network is placed under an order of liquidation, the deposit is an asset subject to chapter 60B, except that the commissioner has a lien on the deposit to reimburse the commissioner for administrative costs directly attributable to the insolvency.*

*Subd. 11. [FINANCIAL REPORTING.] An integrated service network shall submit financial reports to the commissioner as required by section 62D.08, or as the commissioner otherwise requires by rule.*

*Subd. 12. [FINANCIAL EXAMINATIONS.] An integrated service network and its participating entities and guaranteeing organizations are subject to examination by the commissioner under section 62D.14, or as the commissioner otherwise requires by rule.*

**Sec. 26. [62N.22] [RELATIONSHIPS WITH PROVIDERS.]**

*Subdivision 1. [CONTRACTS.] An integrated service network's relationship with health care providers must be by contract, except in the case of covered out-of-network services. Any reimbursement method not prohibited by the commissioner is allowable, including fee-for-service, salary, and capitation. A copy of each contract between an integrated service network and any or all of its providers must be kept on file by the network and made available to the commissioner upon request. The contract must provide that if the network fails to pay the provider for services provided, the enrollee is not liable to the provider for payment. The contract may permit providers to receive payment from an enrollee for services not covered by the enrollee's network contract, but only based upon a written agreement between the provider and the enrollee after the network has provided written notice that the network has denied coverage for the service.*

*Subd. 2. [SERVICES.] Providers may contract with an integrated service network to provide all or a portion of the services that an integrated service network must provide. Providers may choose not to participate in an integrated service network, may participate in more than one integrated service network, or may simultaneously serve both integrated service network enrollees and regulated all-payor system patients.*

*Subd. 3. [RETIALIATORY ACTION PROHIBITED.] No integrated service network may take retaliatory action against a provider solely on the grounds that the provider disseminated accurate information regarding coverage of benefits or accurate benefit limitations of an enrollee's contract or accurate interpreted provisions of the provider agreement that limit the prescribing, providing, or ordering of care.*

**Sec. 27. [62N.23] [TECHNICAL ASSISTANCE.]**

*(a) The commissioner shall provide technical assistance to parties interested in establishing or operating an integrated service network. This shall be known as the integrated service network technical assistance program (ISNTAP).*

*The technical assistance program shall offer seminars on the establishment and operation of integrated service networks in all regions of Minnesota. The commissioner shall advertise these seminars in local and regional newspapers, and attendance at these seminars shall be free.*

*The commissioner shall write a guide to establishing and operating an integrated service network. The guide must provide basic instructions for parties wishing to establish an integrated service network. The guide must be provided free of charge to interested parties. The commissioner shall update this guide when appropriate.*

*The commissioner shall establish a toll-free telephone line that interested parties may call to obtain assistance in establishing or operating an integrated service network.*

*(b) The commissioner shall grant loans for organizational and start-up expenses to entities forming integrated service networks or to networks less than one year old, to the extent of any appropriation for that purpose. The commissioner shall allocate the available funds among applicants based upon the following criteria, as evaluated by the commissioner within the commissioner's discretion:*

*(1) the applicant's need for the loan;*



(2) the likelihood that the loan will foster the formation or growth of a network; and

(3) the likelihood of repayment.

The commissioner shall determine any necessary application deadlines and forms and is exempt from rulemaking in doing so.

Sec. 28. Minnesota Statutes 1992, section 256.9657, subdivision 3, is amended to read:

Subd. 3. [HEALTH MAINTENANCE ORGANIZATION; INTEGRATED SERVICE NETWORK SURCHARGE.] Effective October 1, 1992, each health maintenance organization with a certificate of authority issued by the commissioner of health under chapter 62D and each integrated service network licensed by the commissioner under sections 62N.01 to 62N.22 shall pay to the commissioner of human services a surcharge equal to six-tenths of one percent of the total premium revenues of the health maintenance organization or integrated service network as reported to the commissioner of health according to the schedule in subdivision 4.

Sec. 29. [BORDER COMMUNITIES.]

The commissioner of health shall monitor the effects of integrated service networks and the regulated all-payor system in communities in which a substantial proportion of health care services provided to Minnesota residents are provided in states bordering Minnesota and may amend the rules adopted under article 1 or 2 to minimize effects that inhibit Minnesota residents' ability to obtain access to quality health care. The commissioner shall report to the Minnesota health care commission and the legislature any effects that the commissioner intends to address by amendments to the rules adopted under article 1 or 2.

Sec. 30. [ASSOCIATIONS STUDY.]

The health care commission shall study the role of associations in purchasing health care. The health care commission shall determine the role that associations should play in allowing purchasers to cooperate in purchasing health care. The health care commission shall determine the role associations may play in the small group and integrated service network markets. The health care commission shall report to the legislature by January 15, 1994.

Sec. 31. [EFFECTIVE DATE.]

Sections 1 to 30 are effective the day following final enactment.

## ARTICLE 2

### REGULATED ALL-PAYOR SYSTEM GOVERNING SERVICES NOT PROVIDED THROUGH INTEGRATED SERVICE NETWORKS

Section 1. [62O.01] [REGULATED ALL-PAYOR SYSTEM.]

The regulated all-payor system established under this chapter governs all health care services that are provided outside of an integrated service

network. The regulated all-payor system is designed to control costs, prices, and utilization of all health care services not provided through an integrated service network while maintaining or improving the quality of services. The commissioner of health shall adopt rules establishing controls within the system to ensure that the rate of growth in spending in the system, after adjustments for population size and risk, remains within the limits set by the commissioner under section 62J.04. All providers that serve Minnesota residents and all health plans that cover Minnesota residents shall comply with the requirements and rules established under this chapter for all health care services or coverage provided to Minnesota residents.

Sec. 2. [62O.03] [IMPLEMENTATION.]

(a) By January 1, 1994, the commissioner of health, in consultation with the Minnesota health care commission, shall report to the legislature recommendations for the design and implementation of the all-payor system. The commissioner may use a consultant or other technical assistance to develop a design for the all-payor system. The commissioner's recommendations shall include the following:

(1) methods for controlling payments to providers such as uniform fee schedules or rate limits to be applied to all health plans and health care providers with independent billing rights;

(2) methods for controlling utilization of services such as the application of standardized utilization review criteria, recovery of excess spending due to overutilization, or required use of practice parameters;

(3) methods for monitoring quality of care and mechanisms to enforce the quality of care standards;

(4) requirements for maintaining and reporting data on costs, prices, revenues, expenditures, utilization, quality of services, and outcomes;

(5) measures to prevent or discourage adverse risk selection between the regulated all-payor system and integrated service networks;

(6) measures to coordinate the regulated all-payor system with integrated service networks to minimize or eliminate barriers to access to health care services that might otherwise result;

(7) an appeals process;

(8) measures to encourage and facilitate appropriate use of midlevel practitioners and eliminate undesirable barriers to their participation in providing services;

(9) measures to assure appropriate use of technology and to manage introduction of new technology;

(10) consequences to be imposed on providers whose expenditures have exceeded the limits established by the commissioner; and

(11) restrictions on provider conflicts of interest.

(b) On July 1, 1994, the regulated all-payor system shall begin to be phased in with full implementation by July 1, 1996. During the transition period, all premium rates and provider fees shall be set in accordance with sections 3 and 4.

**Sec. 3. [62O.04] [PROVIDER PRICE RESTRAINTS.]**

*Subdivision 1. [RESTRAINT.] No health care provider, as defined in section 62J.03, subdivision 8, shall on or after March 3, 1993, increase the price or other charge that it charges for any health care service provided to a Minnesota resident except as permitted under this section. This section does not apply to health care services provided through integrated service networks.*

*Subd. 2. [CERTAIN INCREASES PERMITTED.] (a) On and after January 1, 1994, a health care provider as defined in section 62J.03, subdivision 8, may increase any price or other charge by no more than a percentage determined by adding five percentage points to the percentage change in the regional consumer price index for urban consumers for the most recent 12-month period for which that index is available as of November 1, 1993. The commissioner of health shall determine, announce, and publish in the State Register, no later than December 1, 1993, the percentage increase permitted under this paragraph. To determine the amount of the maximum permitted increase in a price or charge, the percentage determined under this paragraph is applied to the price or charge used as of January 1, 1993.*

*(b) On or after January 1, 1995, an increase in a price or charge is permitted in addition to the increase permitted under paragraph (a). The permitted maximum increase is determined as under paragraph (a), except that the percentage is multiplied by .9 and is applied to the price or charge used as of January 1, 1994.*

**Sec. 4. [62O.05] [HEALTH CARRIER PRICE RESTRAINTS.]**

*Subdivision 1. [RESTRAINT.] No health carrier, as defined in section 62A.011, shall increase the premiums, subscriber charges, enrollee fees, or similar charges for its health plans on or after March 3, 1993, so as to increase its total revenues per Minnesota resident covered by its health plans, except as permitted under this section. This subdivision does not prohibit an increase in the charge for a particular health plan, so long as the health carrier's aggregate revenues per covered Minnesota resident for all of its health plans do not increase. This section does not apply to integrated service networks or to filings for rate increases or adjustments submitted to the commissioner of commerce or health prior to March 3, 1993.*

*Subd. 2. [CERTAIN INCREASES PERMITTED.] A health carrier may increase its charges on and after January 1, 1994, and on and after January 1, 1995, so as to increase its revenues per covered Minnesota resident, to the extent permitted under subdivision 4.*

*Subd. 3. [ENFORCEMENT.] The commissioners of health and commerce shall enforce this section with respect to the health carriers that each commissioner respectively regulates. Each commissioner has under this section all enforcement and rulemaking authority that the commissioner otherwise has with respect to the health carrier.*

*Subd. 4. [CERTAIN INCREASES PERMITTED.] Any increased charges under subdivision 2 must be approved in advance by the relevant commissioner under subdivision 3. The relevant commissioner shall disapprove any requested increase in revenues per covered person, unless the health carrier provides actuarial analysis establishing, to the satisfaction of the commissioner, that the health carrier is fully passing on to its customers the health*

care provider price restraints provided under section 3. An increase in revenues permitted under subdivision 2 and this subdivision must not exceed the percentages provided under section 3 for health care providers. The commissioner may consider and take into account substantial changes in a health carrier's types of health plans and types of persons covered if necessary to prevent evasion of this section.

Subd. 5. [NEW PRODUCTS.] No health carrier may offer or issue a new health plan form or certificate form unless the health carrier has provided the relevant commissioner with actuarial analysis establishing, to the satisfaction of the commissioner, that the proposed charges or method of determining charges takes account of the price restraints on health care providers under section 3. This subdivision applies, without limitation, to products sold in the small employer market under chapter 62L.

Sec. 5. [APPLICABILITY OF OTHER LAWS.]

Except as expressly provided in rules adopted under this chapter, to the extent that a provider is providing services in the regulated all-payor system, the provider remains subject to all other statutes and rules that apply to that provider on the effective date of this section, including, as applicable, Minnesota Statutes, sections 62J.17 and 62J.23.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment.

### ARTICLE 3

#### DATA COLLECTION AND COST CONTROL INITIATIVES

Section 1. Minnesota Statutes 1992, section 62J.03, subdivision 6, is amended to read:

Subd. 6. [GROUP PURCHASER.] "Group purchaser" means a person or organization that purchases health care services on behalf of an identified group of persons, regardless of whether the cost of coverage or services is paid for by the purchaser or by the persons receiving coverage or services, as further defined in rules adopted by the commissioner. "Group purchaser" includes, but is not limited to, *integrated service networks*; health insurance companies, health maintenance organizations, *nonprofit health service plan corporations*, and other health plan companies; employee health plans offered by self-insured employers; *trusts established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, title 29, section 141, et seq.*; the *Minnesota comprehensive health association*; group health coverage offered by fraternal organizations, professional associations, or other organizations; state and federal health care programs; state and local public employee health plans; workers' compensation plans; and the medical component of automobile insurance coverage.

Sec. 2. Minnesota Statutes 1992, section 62J.04, subdivision 1, is amended to read:

Subdivision 1. [~~COMPREHENSIVE BUDGET LIMITS ON THE RATE OF GROWTH.~~] (a) The commissioner of health shall set an annual ~~limit~~ limits on the rate of growth of public and private spending on health care services for Minnesota residents, as provided in paragraph (b). The ~~limit~~ limits on growth

must be set at a level levels the commissioner determines to be realistic and achievable but that will slow reduce the current rate of growth in health care spending by at least ten percent per year using the spending growth rate for 1991 as a base year. This limit must be achievable through good faith, cooperative efforts of health care consumers, purchasers, and providers for the next five years. The commissioner shall set limits on growth based on available data on spending and growth trends, including data from group purchasers, national data on public and private sector health care spending and cost trends, and trend information from other states.

(b) The commissioner shall set the following annual limits on the rate of growth of public and private spending on health care services for Minnesota residents:

(1) for calendar year 1994, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(2) for calendar year 1995, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(3) for calendar year 1996, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points;

(4) for calendar year 1997, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points; and

(5) for calendar year 1998, the rate of growth must not exceed the change in the regional consumer price index for urban consumers plus .. percentage points.

If the health care financing administration forecast for the total growth in national health expenditures for a calendar year is lower than the rate of growth for the calendar year as specified in clauses (1) to (5), the commissioner shall adopt this forecast as the growth limit for that calendar year. The commissioner shall adjust the growth limit set for calendar year 1995 to recover savings in health care spending required for the period July 1, 1993 to December 31, 1993. The commissioner shall publish:

(1) the limits in the State Register by March 15 of the year immediately preceding the year in which the limit will be effective except for the year 1993, in which the limit shall be published by July 1, 1993;

(2) the quarterly change in the regional consumer price index for urban consumers; and

(3) the health care financing administration forecast for total growth in the national health care expenditures. In setting an annual limit, the commissioner is exempt from the rulemaking requirements of chapter 14. The commissioner's decision on an annual limit is not appealable.

Sec. 3. Minnesota Statutes 1992, section 62J.04, is amended by adding a subdivision to read:

*Subd. 1a. [ENFORCEMENT OF LIMITS ON GROWTH.] (a) The commissioner shall enforce limits on growth in spending and revenues for*

*integrated service networks and for the regulated all-payor system. For purposes of enforcing limits, the commissioner may adjust a growth limit to account for differences between the actual and forecasted change in health care spending. If the commissioner determines that artificial inflation or padding of costs or prices has occurred in anticipation of the implementation of growth limits, the commissioner may adjust the base year spending totals or growth limits or take other action to reverse the effect of the artificial inflation or padding.*

*(b) The commissioner shall impose and enforce overall limits on growth in revenues and spending for integrated service networks, with adjustments for changes in enrollment, benefits, severity, and risks. If an integrated service network exceeds a spending limit, the commissioner may reduce future limits on growth in premium revenues for that integrated service network by up to the amount overspent. If the integrated service network system exceeds a systemwide spending limit, the commissioner may reduce future limits on growth in premium revenues for the integrated service network system by up to the amount overspent.*

*(c) The commissioner shall set prices, utilization controls, and other requirements for the regulated all-payor system to ensure that the overall costs of this system, after adjusting for changes in population, severity, and risk, do not exceed the growth limits. If spending growth limits for a calendar year are exceeded, the commissioner may reduce reimbursement rates or otherwise recoup overspending for all or part of the next calendar year, to recover in savings up to the amount of money overspent. To the extent possible, the commissioner may reduce reimbursement rates or otherwise recoup overspending from individual providers who exceed the spending growth limits.*

Sec. 4. Minnesota Statutes 1992, section 62J.04, subdivision 2, is amended to read:

Subd. 2. [DATA COLLECTION BY COMMISSIONER.] For purposes of ~~setting~~ forecasting rates of growth in health care spending and setting limits under ~~this section subdivisions 1 and 1a~~, the commissioner ~~shall~~ may collect from ~~all~~ Minnesota health care providers data on patient revenues and health care spending received during a time period specified by the commissioner. The commissioner ~~shall~~ may also collect data on health care revenues and spending from ~~all~~ group purchasers of health care. ~~All~~ Health care providers and group purchasers doing business in the state shall provide the data requested by the commissioner at the times and in the form specified by the commissioner. Professional licensing boards and state agencies responsible for licensing, registering, or regulating providers shall cooperate fully with the commissioner in achieving compliance with the reporting requirements.

Subd. 2a. [FAILURE TO PROVIDE DATA.] ~~The~~ intentional failure to provide ~~reports~~ the data requested under ~~this section~~ ~~chapter~~ is grounds for revocation of a license or other disciplinary or regulatory action against a regulated provider. The commissioner may assess a fine against a provider who refuses to provide ~~information~~ data required by the commissioner ~~under this section~~. If a provider refuses to provide a ~~report~~ ~~or~~ ~~information~~ the data required ~~under this section~~, the commissioner may obtain a court order requiring the provider to produce documents and allowing the commissioner to inspect the records of the provider for purposes of obtaining the ~~information~~ data required ~~under this section~~.

*Subd. 2b. [DATA PRIVACY.] All data received is private or nonpublic, trade secret information under section 13.37 as applicable, except to the extent that it is given a different classification elsewhere in this chapter. The commissioner shall establish procedures and safeguards to ensure that data provided to the Minnesota health care commission released by the commissioner is in a form that does not identify individual specific patients, providers, employers, purchasers, or other specific individuals and organizations, except with the permission of the affected individual or organization, or as permitted elsewhere in this chapter.*

**Sec. 5. [62J.045] [MEDICAL EDUCATION AND RESEARCH COSTS.]**

*Subdivision 1. [PURPOSE.] The legislature finds that all health care stakeholders, as well as society at large, benefit from medical education and health care research. The legislature further finds that the cost of medical education and research should not be borne by a few hospitals or medical centers but should be fairly allocated across the health care system.*

*Subd. 2. [DEFINITION.] For purposes of this section, "health care research" means research that is not subsidized from private grants, donations, or other outside research sources but is funded by patient out-of-pocket expenses or a third party payer and has been approved by an institutional review board certified by the United States Department of Health and Human Services.*

*Subd. 3. [COST ALLOCATION FOR EDUCATION AND RESEARCH.] By January 1, 1994, the commissioner of health, in consultation with the health care commission and the health planning advisory committee, shall:*

*(1) develop mechanisms to gather data and to identify the annual cost of medical education and research conducted by hospitals, medical centers, or health maintenance organizations;*

*(2) determine a percentage of the annual rate of growth established under section 62J.04 to be allocated for the cost of education and research and develop a method to assess the percentage from each group purchaser;*

*(3) develop mechanisms to collect the assessment from group purchasers to be deposited in a separate education and research fund; and*

*(4) develop a method to allocate the education and research fund to specific health care providers.*

**Sec. 6. Minnesota Statutes 1992, section 62J.09, is amended by adding a subdivision to read:**

*Subd. 1a. [DUTIES RELATED TO COST CONTAINMENT.] (a) [ALLOCATION OF REGIONAL SPENDING LIMITS.] Regional coordinating boards may advise the commissioner regarding allocation of annual regional limits on the rate of growth for providers in the regulated all-payor system in order to:*

*(1) achieve community-wide and regional public health goals consistent with those established by the commissioner; and*

*(2) promote access to and equitable reimbursement of preventive and primary care providers.*

(b) [TECHNICAL ASSISTANCE.] *Regional coordinating boards, in cooperation with the commissioner, shall provide technical assistance to parties interested in establishing or operating an integrated service network within the region. This assistance must complement assistance provided by the commissioner under section 62N.23.*

Sec. 7. Minnesota Statutes 1992, section 62J.33, is amended to read:

62J.33 [TECHNICAL ASSISTANCE INFORMATION ON COST AND QUALITY FOR PURCHASERS.]

*Subdivision 1. [HEALTH CARE ANALYSIS UNIT.] The health care analysis unit shall provide ~~technical assistance~~ information to ~~health plan and health care assist~~ group purchasers and consumers in making informed decisions regarding purchasing of health care services. The unit shall provide information allowing comparisons between integrated service networks and between health care services and systems. The unit shall collect information about:*

(1) *premiums, benefit levels, patient or enrollee satisfaction, managed care procedures, health care outcomes, and other features of ~~popular~~ integrated service networks, health plans, and health carriers; and*

(2) *prices, outcomes, provider experience, and other information for services less commonly covered by insurance or for which patients commonly face significant out-of-pocket expenses; and*

(3) *information on health care services not provided through integrated service networks, including information on prices, costs, expenditures, utilization, quality of care, and outcomes.*

The commissioner shall publicize this information in an easily understandable format.

*Subd. 2. [INFORMATION CLEARINGHOUSE.] The commissioner of health shall establish an information clearinghouse within the department of health to facilitate the ability of consumers, employers, providers, health plans, and others to obtain information on health care costs and quality in Minnesota. The commissioner shall make available through the clearinghouse information developed or collected by the department of health on practice parameters, outcomes data and research, the costs and quality of integrated service networks, reports or recommendations of the health planning advisory committee and other entities on technology assessments, worksite wellness and prevention programs, other wellness programs, consumer education, and other initiatives. The clearinghouse shall, upon request, make available information submitted voluntarily by health plans, providers, employers, and others if the information clearly states that an entity other than the state submitted the information, identifies the entity, and states that distribution by the clearinghouse does not imply endorsement of the entity or the information by the commissioner of health or the state of Minnesota. The clearinghouse shall also refer requesters to sources of further information or assistance. The clearinghouse is subject to chapter 13.*

Sec. 8. [62J.35] [DATA COLLECTION.]

*Subdivision 1. [CONTRACTING.] The commissioner may contract with private organizations to carry out the data collection initiatives required by this chapter. The commissioner shall require in the contract that organizations*



*under contract adhere to the data privacy requirements established under this chapter.*

*Subd. 2. [EMERGENCY RULES.] The commissioner shall adopt emergency and permanent rules to implement the data collection and reporting requirements in this chapter. The commissioner may combine all data reporting and collection requirements into a unified process so as to minimize duplication and administrative costs.*

**Sec. 9. [62J.37] [DATA FROM INTEGRATED SERVICE NETWORKS.]**

*The commissioner shall require integrated service networks operating under section 62N.06, subdivision 1, to submit data on health care spending and revenue for calendar year 1994 by February 15, 1995. Each February 15 thereafter, integrated service networks shall submit to the commissioner data on health care spending and revenue for the preceding calendar year. The data must be provided in the form specified by the commissioner. To the extent that an integrated service network is operated by a group purchaser under section 62N.06, subdivision 2, the integrated service network is exempt from this section and the group purchaser must provide data on the integrated service network under section 62J.38.*

**Sec. 10. [62J.38] [DATA FROM GROUP PURCHASERS.]**

*(a) The commissioner shall require group purchasers to submit detailed data on total health care spending for calendar years 1990, 1991, and 1992, and for calendar year 1993 and successive calendar years. Group purchasers shall submit data for the 1993 calendar year by February 15, 1994, and each February 15 thereafter shall submit data for the preceding calendar year.*

*(b) The commissioner shall require each group purchaser to submit data on revenue, expenses, and member months, as applicable. Revenue data must distinguish between premium revenue and revenue from other sources, and must also include information on the amount of revenue in reserves and changes in reserves. Expenditure data, including raw data from claims, must be provided separately for the following categories: physician services, dental services, other professional services, inpatient hospital services, outpatient hospital services, emergency and out-of-area care, pharmacy services and prescription drugs, mental health services, chemical dependency services, other expenditures, and administrative costs.*

*(c) State agencies and all other group purchasers shall provide the required data using a uniform format and uniform definitions, as prescribed by the commissioner.*

**Sec. 11. [62J.40] [DATA FROM STATE AGENCIES.]**

*In addition to providing the data required under section 62J.38, the commissioners of human services, commerce, labor and industry, and employee relations and all other state departments or agencies that administer one or more health care programs shall provide to the commissioner of health any additional data on the health care programs they administer that is requested by the commissioner of health, including data in unaggregated form, for purposes of developing estimates of spending, setting spending limits, and monitoring actual spending. The data must be provided at the times and in the form specified by the commissioner of health.*

**Sec. 12. [62J.41] [DATA FROM PROVIDERS.]**

*Subdivision 1. [DATA TO BE COLLECTED FROM PROVIDERS.] The commissioner shall require health care providers to collect and provide both patient specific information and descriptive and financial aggregate data on:*

- (1) the total number of patients served;*
- (2) the total number of patients served by state of residence and Minnesota county;*
- (3) the site or sites where the health care provider provides services;*
- (4) the number of individuals employed, by type of employee, by the health care provider;*
- (5) the services and their costs for which no payment was received;*
- (6) total revenue by type of payer, including but not limited to, revenue from Medicare, medical assistance, MinnesotaCare, nonprofit health service plan corporations, commercial insurers, integrated service networks, health maintenance organizations, and individual patients;*
- (7) revenue from research activities;*
- (8) revenue from educational activities;*
- (9) revenue from out-of-pocket payments by patients;*
- (10) revenue from donations; and*
- (11) any other data required by the commissioner, including data in unaggregated form, for the purposes of developing spending estimates, setting spending limits, monitoring actual spending, and monitoring costs and quality.*

*Subd. 2. [ANNUAL MONITORING AND ESTIMATES.] The commissioner shall require health care providers to submit the required data for the period July 1, 1993 to December 31, 1993, by February 15, 1994. Health care providers shall submit data for the 1994 calendar year by February 15, 1995, and each February 15 thereafter shall submit data for the preceding calendar year. The commissioner of revenue may collect health care service revenue data from health care providers, if the commissioner of revenue and the commissioner agree that this is the most efficient method of collecting the data. The commissioner of revenue shall provide any data collected to the commissioner of health.*

*Subd. 3. [PUBLIC HEALTH GOALS.] The commissioner shall establish specific public health goals, including, but not limited to, increased delivery of prenatal care, improved birth outcomes, and expanded childhood immunizations. The commissioner shall require health care providers to maintain and periodically report information on changes in health outcomes related to specific public health goals. The information must be provided at the times and in the form specified by the commissioner.*

**Sec. 13. [62J.42] [QUALITY, UTILIZATION, AND OUTCOME DATA.]**

*The commissioner shall also require group purchasers and health care providers to maintain and periodically report information on quality of care, utilization, and outcomes. The information must be provided at the times and in the form specified by the commissioner.*

**Sec. 14. [62J.44] [PUBLICATION OF DATA.]**

(a) Notwithstanding section 62J.04, subdivision 2b, the commissioner may publish data on health care costs and spending, quality and outcomes, and utilization for health care institutions, individual health care professionals and groups of health care professionals, group purchasers, and integrated service networks, with a description of the methodology used for analysis, in order to provide information to purchasers and consumers of health care. The commissioner shall not reveal the name of an institution, group of professionals, individual health care professional, group purchaser, or integrated service network until after the institution, group of professionals, individual health care professional, group purchaser, or integrated service network has had 15 days to review the data and comment. The commissioner shall include any comments received in the release of the data.

(b) Summary data derived from data collected under this chapter may be provided under section 13.05, subdivision 7, and may be released in studies produced by the commissioner or otherwise in accordance with chapter 13.

Sec. 15. [62J.45] [DATA INSTITUTE.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, "encounter level data" means data related to the provision of health care services to individual patients, enrollees, or insureds, including claims data, abstracts of medical records, and data from patient interviews and patient surveys.

Subd. 2. [COMMISSIONER'S DUTIES.] The commissioner shall establish a data institute to collect and process encounter level data that are required to be submitted to the commissioner under chapter 62J. The commissioner shall provide general oversight of the administration of the institute. The commissioner may intervene in the direct operation of the institute, if this is necessary in the judgment of the commissioner to accomplish the institute's duties. Until the data institute is operational, the commissioner shall directly collect all encounter level data required under this chapter.

Subd. 3. [BOARD OF DIRECTORS.] The institute is governed by a 14 member board of directors. The commissioner shall appoint all board members and designate a chair after considering the board's recommendation. The board consists of the following members:

(1) three representatives of health care providers;

(2) two representatives of health carriers;

(3) two consumer members;

(4) two employer representatives, one representing an employer with under 30 employees, and the other representing an employer with more than 30 employees;

(5) two researchers experienced in the collection and processing of encounter level data; and

(6) three representatives of state agencies, one member representing the department of employee relations, one member representing the department of human services, and one member representing the department of health.

Subd. 4. [TERMS; COMPENSATION; REMOVAL; AND VACANCIES.] The board is governed by section 15.0575.

*Subd. 5. [STAFF.] The board may hire an executive director. The executive director may participate in the following plans for employees in the unclassified service: the state retirement plan, the state deferred compensation plan, and the health insurance and life insurance plans. The attorney general shall provide legal services to the board.*

*Subd. 6. [DUTIES.] The board, through the data institute, shall:*

*(1) collect the encounter level data required to be submitted by group purchasers under sections 62J.38 and 62J.42, state agencies under section 62J.40, and health care providers under sections 62J.41 and 62J.42, using, to the greatest extent possible, the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;*

*(2) collect the encounter level data required for the initiatives of the health care analysis unit, under sections 62J.30 to 62J.34, using, to the greatest extent possible, the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;*

*(3) process the data collected to ensure consistency, accuracy, and completeness, and as appropriate, merge data collected from different sources;*

*(4) provide unaggregated, encounter-level data to the data analysis unit within the department of health; and*

*(5) carry out other duties assigned in this section.*

*Subd. 7. [USE OF DATA.] (a) The commissioner of health is responsible for the analysis of the data provided through the data institute, and the development and dissemination of reports. The commissioner shall supplement the data provided by the data institute with aggregate data collected under chapter 62J.*

*(b) The board shall make the data collected through the institute available to group purchasers, health care providers, consumers, researchers, and other interested parties. The board may require users of data to contribute towards the cost of data collection through the payment of fees. The commissioner shall require users of data to maintain the data according to the data privacy provisions applicable to the data.*

*Subd. 8. [CONTRACTING.] The commissioner, on behalf of the board, may contract with private sector entities to carry out the duties assigned in this section. The commissioner shall diligently seek to enter into contracts with private sector entities. Any contract must list the specific data to be collected and the methods to be used to collect the data. Any contract must require the private sector entity to maintain the data collected according to the data privacy provisions applicable to the data. The board shall advise the commissioner regarding the performance of any private sector entity under contract.*

*Subd. 9. [DATA PRIVACY.] The board is subject to chapter 13.*

*Subd. 10. [FEDERAL AND OTHER GRANTS.] The commissioner and the board shall seek federal funding, and funding from private and other nonstate sources, for the initiatives required by the board.*

*Sec. 16. [62J.46] [MONITORING AND REPORTS.]*

*Subdivision 1. [LONG-TERM CARE COSTS.] The commissioner, with the assistance of the interagency long-term care planning committee established under section 144A.31, shall use existing state data resources to monitor trends in public and private spending on long-term care costs and spending in Minnesota. The commissioner shall recommend to the legislature any additional data collection activities needed to monitor these trends. State agencies collecting information on long-term care spending and costs shall coordinate with the interagency long-term care planning committee and the commissioner to facilitate the monitoring of long-term care expenditures in the state.*

*Subd. 2. [COST SHIFTING.] The commissioner shall monitor the extent to which reimbursement rates for government health care programs lead to the shifting of costs to private payors. By January 1, 1995, the commissioner shall report any evidence of cost shifting to the legislature and make recommendations on adjustments to that cost containment plan that should be made due to cost shifting.*

**Sec. 17. [INSTRUCTION TO REVISOR.]**

*The revisor of statutes shall insert section 62J.04, subdivisions 2, 2a, and 2b, as subdivisions 1, 2, and 3 in section 62J.35, and renumber the other subdivisions of section 62J.35 as subdivisions 4 and 5 of that section in the next and subsequent editions of Minnesota Statutes.*

**Sec. 18. [EFFECTIVE DATE.]**

*Sections 1 to 16 are effective the day following final enactment.*

**ARTICLE 4**

**VOLUNTARY PUBLIC COMMITMENTS**

**Section 1. [62J.50] [PUBLIC COMMITMENTS BY PLANS AND PROVIDERS TO VOLUNTARILY REDUCE COSTS AND PRICES.]**

*Subdivision 1. [ENCOURAGEMENT OF VOLUNTARY PUBLIC COMMITMENTS.] The commissioner of health, in cooperation with the health care commission and the commissioner of commerce, shall encourage group purchasers and providers to make written voluntary public commitments to reduce the rate of increase in their revenues below the rate limits established in this act. The commissioner, in consultation with the commission, shall establish the procedures, requirements, and deadlines for the submission, publication, and evaluation of public commitments under this section. The commissioner is exempt from the rulemaking requirements of the administrative procedure act for purposes of establishing and administering the public commitment program under this section. The commissioner may develop forms to be executed by a group purchaser or provider willing to make this commitment. The commissioner may not require any particular cost containment methodology.*

*By July 1, 1993, each group purchaser and provider making a voluntary public commitment shall submit to the commissioner the methodology used to determine the projection for the rate of increase in revenues for calendar year 1994 over 1993 which is forecast without taking into account the voluntary public commitment. A group purchaser or provider making a voluntary public commitment shall submit any supporting information requested by the commissioner of health.*

*In making a voluntary public commitment, the group purchaser or provider making the commitment must, in writing, attest to the validity of the data supplied, agree to pass the savings achieved by cost and price reductions through to health care consumers, agree not to increase its volume of services to compensate for reductions in revenues, agree not to increase copayment or deductible amounts during the time period of the voluntary public commitment, and give written permission to allow the commissioner to inspect the group purchaser's or provider's pertinent financial records as necessary to assess the validity of information submitted and to monitor and evaluate compliance with the commitment and to publish the conclusion on compliance.*

*Subd. 2. [FALSE ADVERTISING.] A group purchaser or provider who makes a commitment under subdivision 1 and uses that commitment in any advertisement or in any other way makes that information available to the public is subject to section 325F.67 if the group purchaser or provider knowingly violates the commitment.*

*Subd. 3. [USE OF FINANCIAL CONSULTANTS.] The commissioner may use financial consultants and actuaries as needed to ensure the accuracy, reliability, and completeness of data submitted under this section.*

*Subd. 4. [REVIEW AND COMMENT.] The commissioner shall publish a list of the group purchasers and providers who agree to participate in the voluntary cost containment program. The commissioner may audit a group purchaser or provider or take other means necessary to determine whether or not that group purchaser or provider met, exceeded, or failed to meet a commitment made under subdivision 1. The name of a group purchaser or provider that has failed to meet a voluntary public commitment or to provide requested data shall not be released until after the group purchaser or provider has had 15 days to review the data and comment. The commissioner shall include the group purchaser's or provider's comment in the release of data. A decision by the commissioner that a group purchaser or provider has or has not made a voluntary public commitment under this section or has met, exceeded, or failed to meet a voluntary public commitment is a final decision and is not subject to appeal.*

*Subd. 5. [REPORT TO LEGISLATURE.] The commissioner of health, in consultation with the health care commission, shall monitor the voluntary cost, price, and volume control process and report to the legislature by February 15, 1995, on the degree of cooperation with the process, recommendations on whether to extend the voluntary public commitment process, and recommendations for improving the process if it is extended.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment.*

## ARTICLE 5

### HEALTH PLANNING ADVISORY COMMITTEE

**Section 1. [16B.24] [STATE NEGOTIATED VOLUME DISCOUNTS.]**

*The commissioner of administration, in cooperation with the commissioner of employee relations, health, and human services, shall establish a drug volume purchasing program under which the state will negotiate volume discounts from drug distributors and manufacturers on behalf of those*

*pharmacies, health plans, integrated service networks, employers, and other organizations that choose to participate in the program. The purpose of the program is to enable small purchasers to obtain lower prices on drugs as a result of the discounts that can be obtained through large volume purchasing.*

Sec. 2. Minnesota Statutes 1992, section 62J.03, is amended by adding a subdivision to read:

*Subd. 9. [SAFETY.] "Safety" means the potential of a technology to cause harm.*

Sec. 3. Minnesota Statutes 1992, section 62J.15, subdivision 1, is amended to read:

Subdivision 1. [HEALTH PLANNING ADVISORY COMMITTEE.] The Minnesota health care commission shall convene an advisory committee to make recommendations regarding the use and distribution of new and existing health care technologies and procedures and major capital expenditures by providers. The advisory committee may include members of the state commission and other persons appointed by the commission. The advisory committee must include at least one person representing physicians, at least one person representing hospitals, and at least one person representing the health care technology industry. Health care technologies and procedures include high-cost pharmaceuticals, organ and other high-cost transplants, high-cost drugs, devices, procedures, knowledge, or processes applied to human health care procedures and devices excluding United States Food and Drug Administration approved implantable or wearable medical devices, such as high-cost transplants and expensive, large-scale technologies such as scanners and imagers. The advisory committee is governed by section 15.0575, subdivision 3, except that members do not receive per diem payments.

Sec. 4. Minnesota Statutes 1992, section 62J.15, subdivision 2, is amended to read:

Subd. 2. [HEALTH PLANNING.] In consultation with the health planning advisory committee, the Minnesota health care commission shall:

(1) make recommendations on the types of high-cost technologies, procedures, and capital expenditures for which a plan on statewide use and distribution should be made;

(2) develop adopt criteria for evaluating new high-cost health care technology and procedures and major capital expenditures that take into consideration the clinical effectiveness, cost-effectiveness, and health outcome;

(3) recommend to the commissioner of health and the regional coordinating organizations boards statewide and regional goals and targets for the distribution and use of new and existing high-cost health care technologies and procedures and major capital expenditures;

(4) make recommendations to the commissioner regarding the designation of referral centers of excellence for transplants and other specialized medical procedures; and

(5) make recommendations to the commissioner regarding minimum volume requirements for the performance of certain procedures by hospitals and other health care facilities or providers.

**Sec. 5. [62J.152] [DUTIES OF HEALTH PLANNING ADVISORY COMMITTEE.]**

*Subdivision 1. [GENERALLY.] The health planning advisory committee established in section 62J.15 shall:*

- (1) develop criteria and processes for evaluating health care technology assessments made by other entities;*
- (2) conduct evaluations of specific technology and its specific application;*
- (3) make recommendations to the Minnesota health care commission on the use of specific technologies evaluated; and*
- (4) carry out any other duties specifically assigned by the Minnesota health care commission.*

*Subd. 2. [PRIORITIES FOR DESIGNATING TECHNOLOGIES FOR ASSESSMENT.] The health planning advisory committee shall consider the following criteria in designating technologies for evaluation:*

- (1) the level of controversy within the medical or scientific community, including questionable or undetermined efficacy;*
- (2) the cost implications;*
- (3) the potential for rapid diffusion;*
- (4) the impact on a substantial patient population;*
- (5) the existence of alternative technologies;*
- (6) the impact on patient safety and health outcome;*
- (7) the public health importance;*
- (8) the level of public and professional demand;*
- (9) the social, ethical, and legal concerns; and*
- (10) the prevalence of the disease or condition.*

*The committee may give different weights or attach different importance to each of the criteria, depending on the technology being considered. The committee shall consider any additional criteria approved by the commissioner and the Minnesota health care commission.*

*Subd. 3. [CRITERIA FOR EVALUATING TECHNOLOGY.] In developing the criteria for evaluating specific technologies, the health planning advisory committee shall consider safety, improvement in health outcomes, and the degree to which a technology is clinically effective and cost effective, and other factors. The committee shall consider any additional criteria approved by the commissioner and the Minnesota health care commission.*

*Subd. 4. [TECHNOLOGY EVALUATION PROCESS.] (a) In evaluating a specific technology, the health planning advisory committee shall collect and evaluate studies and research findings on the technologies selected for evaluation from as wide of a range of sources as needed, including, but not limited to: federal agencies or other units of government, international organizations conducting health care technology assessments, health plans, insurers, manufacturers, professional and trade associations, nonprofit*



organizations, and academic institutions. The health planning advisory committee may use consultants or experts, and solicit testimony or other input as needed to evaluate a specific technology.

(b) When the evaluation process on a specific technology has been completed, the health planning advisory committee shall submit a preliminary report to the information clearinghouse. The preliminary report must include the results of the technology assessment evaluation, studies and research findings considered in conducting the evaluation, and the health planning advisory committee's recommendations regarding the technology. Any interested persons or organizations may submit to the health planning advisory committee written comments regarding the technology evaluation within 30 days from the date the preliminary report was submitted. The health planning advisory committee's final report on its technology evaluation must be submitted to the information clearinghouse. Any written comments received by the health planning advisory committee within the 30-day period must be included with the final report.

Subd. 5. [USE OF TECHNOLOGY EVALUATION.] Once the health planning advisory committee has evaluated a specific technology, the final report and any written comments shall be provided to the Minnesota health care commission. The final report on the technology evaluation may also be used:

- (1) by the commissioner in retrospective review of major expenditures;
- (2) by integrated service networks and other group purchasers and by employers, in making coverage, contracting, purchasing, and reimbursement decisions;
- (3) by government programs and regulators of the regulated all-payor system, in making coverage, contracting, purchasing, and reimbursement decisions;
- (4) by the commissioner and other organizations in the development of practice parameters;
- (5) by health care providers in making decisions about adding or replacing technology, and the appropriate use of technology;
- (6) by consumers in making decisions about treatment;
- (7) by medical device manufacturers in developing and marketing new technologies; and
- (8) as otherwise needed by health care providers, health care plans, consumers, and purchasers.

Subd. 6. [APPLICATION TO THE REGULATED ALL-PAYOR SYSTEM.] The health planning advisory committee shall recommend to the Minnesota health care commission and the commissioner methods to control the diffusion and use of technology within the regulated all-payor system for services provided outside of an integrated service network.

Subd. 7. [DATA GATHERING.] In evaluating a specific technology, the health planning advisory committee may seek the use of data collected by manufacturers, health plans, professional and trade associations, nonprofit organizations, academic institutions, or any other organization or association that may have data relevant to the committee's technology evaluation. The

*health planning advisory committee may request the commissioner to subpoena these entities to release all relevant data to the health planning advisory committee for the sole purpose of technology evaluation. All information obtained under this subdivision shall be considered nonpublic data under section 13.02, subdivision 9, unless the data is already available to the public generally or upon request.*

**Sec. 6. [62J.153] [CONFLICTS OF INTEREST.]**

*No member of the health planning advisory committee may participate or vote in the committee's proceedings involving an individual provider, purchaser or patient, or a specific activity or transaction, if the member has a direct financial interest in the outcome of the committee's proceedings other than as an individual consumer of health care services.*

**Sec. 7. [62J.154] [TORT CLAIMS DEFENSE AND INDEMNIFICATION.]**

*The health planning advisory committee established under section 62J.15 is included within the definition of "state" in section 3.732, subdivision 1, clause (1). Members of the health planning advisory committee shall be considered "employees of the state" as defined in section 3.732, subdivision 1, clause (2).*

**Sec. 8. [62J.156] [CLOSED COMMITTEE HEARINGS.]**

*Notwithstanding section 471.705, the health planning advisory committee may meet in closed session to discuss a specific technology or procedure that involves data received under section 62J.152, subdivision 7, that have been classified as nonpublic data, where disclosure of the data would cause harm to the competitive or economic position of the source of the data.*

## ARTICLE 6

### MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 3.732, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the health planning advisory committee, the armory building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of

the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. "Employee of the state" includes a public defender appointed by the state board of public defense, and a member of the health planning advisory committee.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 2. Minnesota Statutes 1992, section 62C.16, is amended by adding a subdivision to read:

*Subd. 4. [RETIALIATORY ACTION PROHIBITED.] No service plan corporation may take retaliatory action against a provider solely on the grounds that the provider disseminated accurate information regarding coverage of benefits or accurate benefit limitations of a subscriber's contract or accurate interpreted provisions of the provider agreement that limit the prescribing, providing, or ordering of care.*

Sec. 3. Minnesota Statutes 1992, section 62J.04, subdivision 3, is amended to read:

*Subd. 3. [COST CONTAINMENT DUTIES.] After obtaining the advice and recommendations of the Minnesota health care commission, the commissioner shall:*

(1) establish statewide and regional limits on growth in total health care spending under this section, monitor regional and statewide compliance with the spending limits, and take action to achieve compliance to the extent authorized by the legislature;

(2) divide the state into no fewer than four regions, with one of those regions being the Minneapolis/St. Paul metropolitan statistical area *but excluding Chisago, Isanti, and Sherburne counties*, for purposes of fostering the development of regional health planning and coordination of health care delivery among regional health care systems and working to achieve spending limits;

(3) provide technical assistance to regional coordinating boards;

(4) monitor the quality of health care throughout the state, conduct consumer satisfaction surveys, and take action as necessary to ensure an appropriate level of quality;

(5) *develop issue recommendations regarding uniform billing forms, uniform electronic billing procedures and data interchanges, patient identification cards, and other uniform claims and administrative procedures for health care providers by January 1, 1993 and private and public sector payors. In developing the recommendations, the commissioner shall review the work of the work group on electronic data interchange (WEDI) and the American National Standards Institute (ANSI) at the national level, and the work being done at the state and local level. The commissioner may adopt*

rules requiring the use of the Uniform Bill 82/92 form, the Health Care Financing Administration 1500 form, or other standardized forms or procedures;

(6) undertake health planning responsibilities as provided in section 62J.15;

(7) monitor and promote the development and implementation of practice parameters;

(8) authorize, fund, or promote research and experimentation on new technologies and health care procedures;

(9) designate *referral centers of excellence* for specialized and high-cost procedures and treatment and establish minimum standards and requirements for particular procedures or treatment;

(10) *within the limits of appropriations for these purposes*, administer or contract for statewide consumer education and wellness programs that will improve the health of Minnesotans and increase individual responsibility relating to personal health and the delivery of health care services, *undertake prevention programs including initiatives to improve birth outcomes, expand childhood immunization efforts, and provide start-up grants for worksite wellness programs*;

(11) administer the health care analysis unit under ~~Laws 1992, chapter 549, article 7 sections 62J.30 to 62J.34;~~ and

(12) undertake other activities to monitor and oversee the delivery of health care services in Minnesota with the goal of improving affordability, quality, and accessibility of health care for all Minnesotans.

Sec. 4. Minnesota Statutes 1992, section 62J.04, subdivision 4, is amended to read:

Subd. 4. [CONSULTATION WITH THE COMMISSION.] ~~Before~~ *When the law requires the commissioner of health to consult with the Minnesota health care commission when undertaking any of the duties required under this chapter chapters 62J and 62N, the commissioner of health shall consult with the Minnesota health care commission and obtain the commission's advice and recommendations. If the commissioner intends to depart from the commission's recommendations, the commissioner shall inform the commission of the intended departure, provide a written explanation of the reasons for the departure, and give the commission an opportunity to comment on the intended departure. If, after receiving the commission's comment, the commissioner still intends to depart from the commission's recommendations, the commissioner shall notify each member of the legislative oversight commission on health care access of the commissioner's intent to depart from the recommendations of the Minnesota health care commission. The notice to the legislative oversight commission must be provided at least ten days before the commissioner takes final action. If emergency action is necessary that does not allow the commissioner to obtain the advice and recommendations of the Minnesota health care commission or to provide advance notice and an opportunity for comment as required in this subdivision, the commissioner shall provide a written notice and explanation to the Minnesota health care commission and the legislative oversight commission at the earliest possible time.*

Sec. 5. [62J.211] [SMALL GROUP PURCHASING POOLS.]

*Subdivision 1. [DEFINITION.] For purposes of this section, "purchasing pool" means a group, however organized, of purchasers of health coverage, including purchasers of health plans as defined in section 62A.011, subdivision 3, coverage by integrated service networks, or services in connection with self-insured plans.*

*Subd. 2. [ASSISTANCE TO PRIVATE PURCHASING POOLS.] The commissioners of health and commerce shall encourage the formation of private small group purchasing pools to enable small groups to benefit from the market advantages and efficiencies of large purchasing groups. Within the limits of appropriations provided for this purpose, the commissioner of health, in consultation with the commissioner of commerce, may provide loans for start-up costs and reserves to assist new purchasing pools.*

*Subd. 3. [REGIONAL PURCHASING POOLS.] Regional coordinating boards may sponsor the formation of regional purchasing pools to enable small groups in the region to purchase health coverage as a large group. Regional purchasing pools are eligible for assistance and start-up loans under subdivision 2.*

**Sec. 6. [62J.212] [COLLABORATION ON PUBLIC HEALTH GOALS.]**

*The commissioner of health shall encourage integrated service networks and other private organizations to collaborate with public health agencies to achieve community-wide and regional public health goals. The commissioner may increase regional spending limits if public health goals for that region are achieved. Within the limits of appropriations provided for this purpose, the commissioner of health may provide grants to integrated service networks and other private organizations or adopt spending limits to collaborate with public health agencies in implementing wellness programs and other initiatives to improve public health outcomes.*

**Sec. 7. [REQUESTS FOR FEDERAL ACTION.]**

*The commissioner of health shall seek changes in or waivers from federal statutes or regulations as necessary to implement the provisions of this act. The commissioner of human services shall request and diligently pursue waivers from the federal laws relating to health coverages provided under the medical assistance and Medicare programs, so as to permit the state to provide medical assistance benefits through integrated service networks and permit Medicare to be provided in Minnesota through integrated service networks.*

**Sec. 8. [INSTRUCTION TO REVISOR.]**

*The revisor of statutes shall change the words "centers of excellence" to "referral centers" wherever they appear in chapters 62D and 62J in the next and subsequent editions of Minnesota Statutes and Minnesota Rules, parts 4685.0100 to 4685.3400.*

**Sec. 9. Minnesota Statutes 1992, section 62J.34, subdivision 3, is amended to read:**

**Subd. 3. [MEDICAL MALPRACTICE CASES.] (a)** In an action against a provider for malpractice, error, mistake, or failure to cure, whether based in contract or tort, adherence to a *pertinent* practice parameter approved by the commissioner of health under subdivision 2 is an absolute defense against an

allegation that the provider did not comply with accepted standards of practice in the community.

(b) Evidence of a departure from a practice parameter is *not* admissible ~~only on unless the issue of whether the provider is entitled to an~~ *claiming the absolute defense under paragraph (a).*

(c) Paragraphs (a) and (b) apply to claims arising on or after August 1, 1993, or 90 days after the date the commissioner approves the applicable practice parameter, whichever is later.

(d) Nothing in this section changes the ~~standard of plaintiff's~~ burden of proof in ~~an a~~ civil action ~~alleging a delay in diagnosis, a misdiagnosis, inappropriate application of a practice parameter, failure to obtain informed consent, battery or other intentional tort, breach of contract, or product liability against a provider or creates a new basis upon which to establish liability against a provider.~~

Sec. 10. [EFFECTIVE DATE.]

*Section 2 is effective the day following final enactment.*

## ARTICLE 7

### COST CONTAINMENT AMENDMENTS

Section 1. Minnesota Statutes 1992, section 62J.03, subdivision 8, is amended to read:

Subd. 8. [PROVIDER OR HEALTH CARE PROVIDER.] "Provider" or "health care provider" means a person or organization other than a nursing home that provides health care or medical care services within Minnesota for a fee; ~~as further defined in rules adopted by the commissioner and is eligible for reimbursement under the medical assistance program under chapter 256B. For purposes of this subdivision, "for a fee" includes traditional fee-for-service arrangements, capitation arrangements, and any other arrangement in which a provider receives compensation for providing health care services or has the authority to directly bill a group purchaser, health carrier, or individual for providing health care services. For purposes of this subdivision, "eligible for reimbursement under the medical assistance program" means that the provider's services would be reimbursed by the medical assistance program if the services were provided to medical assistance enrollees and the provider sought reimbursement, or that the services would be eligible for reimbursement under medical assistance except that those services are characterized as experimental, cosmetic, or voluntary.~~

Sec. 2. Minnesota Statutes 1992, section 62J.04, subdivision 5, is amended to read:

Subd. 5. [APPEALS.] A person ~~or organization~~ aggrieved may appeal a decision of the commissioner ~~under sections 62J.17 and 62J.23~~ through a contested case proceeding governed under chapter 14. *The appeal must be brought within 30 days of receiving notice of the commissioner's decision.*

Sec. 3. Minnesota Statutes 1992, section 62J.04, subdivision 7, is amended to read:

Subd. 7. [PLAN FOR CONTROLLING GROWTH IN SPENDING.] (a) By January 15, 1993, the Minnesota health care commission shall submit to

the legislature and the governor for approval a plan, with as much detail as possible, for slowing the growth in health care spending to the growth rate identified by the commission, beginning July 1, 1993. The goal of the plan shall be to reduce the growth rate of health care spending, adjusted for population changes, so that it declines by at least ten percent per year for each of the next five years. The commission shall use the rate of spending growth in 1991 as the base year for developing its plan. The plan may include tentative targets for reducing the growth in spending for consideration by the legislature.

(b) In developing the plan, the commission shall consider the advisability and feasibility of the following options, but is not obligated to incorporate them into the plan:

(1) data and methods that could be used to calculate regional and statewide spending limits and the various options for expressing spending limits, such as maximum percentage growth rates or actuarially adjusted average per capita rates that reflect the demographics of the state or a region of the state;

(2) methods of adjusting spending limits to account for patients who are not Minnesota residents, to reflect care provided to a person outside the person's region, and to adjust for demographic changes over time;

(3) methods that could be used to monitor compliance with the limits;

(4) criteria for exempting spending on research and experimentation on new technologies and medical practices when setting or enforcing spending limits;

(5) methods that could be used to help providers, purchasers, consumers, and communities control spending growth;

(6) methods of identifying activities of consumers, providers, or purchasers that contribute to excessive growth in spending;

(7) methods of encouraging voluntary activities that will help keep spending within the limits;

(8) methods of consulting providers and obtaining their assistance and cooperation and safeguards that are necessary to protect providers from abrupt changes in revenues or practice requirements;

(9) methods of avoiding, preventing, or recovering spending in excess of the rate of growth identified by the commission;

(10) methods of depriving those who benefit financially from overspending of the benefit of overspending, including the option of recovering the amount of the excess spending from the greater provider community or from individual providers or groups of providers through targeted assessments;

(11) methods of reallocating health care resources among provider groups to correct existing inequities, reward desirable provider activities, discourage undesirable activities, or improve the quality, affordability, and accessibility of health care services;

(12) methods of imposing mandatory requirements relating to the delivery of health care, such as practice parameters, hospital admission protocols, 24-hour emergency care screening systems, or designated specialty providers;

(13) methods of preventing unfair health care practices that give a provider

or group purchaser an unfair advantage or financial benefit or that significantly circumvent, subvert, or obstruct the goals of this chapter;

(14) methods of providing incentives through special spending allowances or other means to encourage and reward special projects to improve outcomes or quality of care; and

(15) the advisability or feasibility of a system of permanent, regional coordinating boards to ensure community involvement in activities to improve affordability, accessibility, and quality of health care in each region.

Sec. 4. Minnesota Statutes 1992, section 62J.05, is amended by adding a subdivision to read:

*Subd. 9. [REPEALER.] This section is repealed effective July 1, 1996.*

Sec. 5. Minnesota Statutes 1992, section 62J.09, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) [NUMBER OF MEMBERS.] Each regional health care management coordinating board consists of ~~16~~ 17 members as provided in this subdivision. A member may designate a representative to act as a member of the commission in the member's absence. *The governor shall appoint the chair of each regional board from among its members.*

(b) [PROVIDER REPRESENTATIVES.] Each regional board must include four members representing health care providers who practice in the region. One member is appointed by the Minnesota Medical Association. One member is appointed by the Minnesota Hospital Association. One member is appointed by the Minnesota Nurses' Association. The remaining member is appointed by the governor to represent providers other than physicians, hospitals, and nurses.

(c) [HEALTH PLAN COMPANY REPRESENTATIVES.] Each regional board includes ~~three~~ four members representing health plan companies who provide coverage for residents of the region, including one member representing health insurers who is elected by a vote of all health insurers providing coverage in the region, one member elected by a vote of all health maintenance organizations providing coverage in the region, and one member appointed by Blue Cross and Blue Shield of Minnesota. The fourth member is appointed by the governor.

(d) [EMPLOYER REPRESENTATIVES.] Regional boards include three members representing employers in the region. Employer representatives are elected by a vote of the employers who are members of chambers of commerce in the region. At least one member must represent self-insured employers.

(e) [EMPLOYEE UNIONS.] Regional boards include one member appointed by the AFL-CIO Minnesota who is a union member residing or working in the region or who is a representative of a union that is active in the region.

(f) [PUBLIC MEMBERS.] Regional boards include three consumer members. One consumer member is elected by the community health boards in the region, with each community health board having one vote. One consumer member is elected by the state legislators with districts in the region. One consumer member is appointed by the governor.



(g) [COUNTY COMMISSIONER.] Regional boards include one member who is a county board member. The county board member is elected by a vote of all of the county board members in the region, with each county board having one vote.

(h) [STATE AGENCY.] Regional boards include one state agency commissioner appointed by the governor to represent state health coverage programs.

Sec. 6. Minnesota Statutes 1992, section 62J.09, subdivision 5, is amended to read:

Subd. 5. [CONFLICTS OF INTEREST.] No member may participate or vote in regional coordinating board proceedings involving an individual provider, purchaser, or patient, or a specific activity or transaction, if the member has a direct financial interest in the outcome of the regional coordinating board's proceedings other than as an individual consumer of health care services. *A member with a direct financial interest may participate in the proceedings, without voting, provided that the member discloses any direct financial interest to the regional coordinating board at the beginning of the proceedings.*

Sec. 7. Minnesota Statutes 1992, section 62J.09, subdivision 8, is amended to read:

Subd. 8. [REPEALER.] This section is repealed effective July 1, 1993 1996.

Sec. 8. Minnesota Statutes 1992, section 62J.17, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given.

(a) [ACCESS.] "Access" has the meaning given in section 62J.2912, subdivision 2.

(b) [CAPITAL EXPENDITURE.] "Capital expenditure" means an expenditure which, under generally accepted accounting principles, is not properly chargeable as an expense of operation and maintenance.

(c) [COST.] "Cost" means the amount paid by consumers or third party payors for health care services or products.

(d) [DATE OF THE MAJOR SPENDING COMMITMENT.] "Date of the major spending commitment" means the date the provider formally obligated itself to the major spending commitment. The obligation may be incurred by entering into a contract, making a down payment, issuing bonds or entering a loan agreement to provide financing for the major spending commitment, or taking some other formal, tangible action evidencing the provider's intention to make the major spending commitment.

(b) (e) [HEALTH CARE SERVICE.] "Health care service" means:

(1) a service or item that would be covered by the medical assistance program under chapter 256B if provided in accordance with medical assistance requirements to an eligible medical assistance recipient; and

(2) a service or item that would be covered by medical assistance except that it is characterized as experimental, cosmetic, or voluntary.

“Health care service” does not include retail, over-the-counter sales of nonprescription drugs and other retail sales of health-related products that are not generally paid for by medical assistance and other third-party coverage.

(e) (f) [MAJOR SPENDING COMMITMENT.] “Major spending commitment” means:

- (1) acquisition of a unit of medical equipment;
- (2) a capital expenditure for a single project for the purposes of providing health care services, other than for the acquisition of medical equipment;
- (3) offering a new specialized service not offered before;
- (4) planning for an activity that would qualify as a major spending commitment under this paragraph; or
- (5) a project involving a combination of two or more of the activities in clauses (1) to (4).

The cost of acquisition of medical equipment, and the amount of a capital expenditure, is the total cost to the provider regardless of whether the cost is distributed over time through a lease arrangement or other financing or payment mechanism.

(d) (g) [MEDICAL EQUIPMENT.] “Medical equipment” means fixed and movable equipment that is used by a provider in the provision of a health care service. “Medical equipment” includes, but is not limited to, the following:

- (1) an extracorporeal shock wave lithotripter;
- (2) a computerized axial tomography (CAT) scanner;
- (3) a magnetic resonance imaging (MRI) unit;
- (4) a positron emission tomography (PET) scanner; and
- (5) emergency and nonemergency medical transportation equipment and vehicles.

(e) (h) [NEW SPECIALIZED SERVICE.] “New specialized service” means a specialized health care procedure or treatment regimen offered by a provider that was not previously offered by the provider, including, but not limited to:

- (1) cardiac catheterization services involving high-risk patients as defined in the Guidelines for Coronary Angiography established by the American Heart Association and the American College of Cardiology;
- (2) heart, heart-lung, liver, kidney, bowel, or pancreas transplantation service, or any other service for transplantation of any other organ;
- (3) megavoltage radiation therapy;
- (4) open heart surgery;
- (5) neonatal intensive care services; and
- (6) any new medical technology for which premarket approval has been granted by the United States Food and Drug Administration, excluding implantable and wearable devices.

(f) [PROVIDER.] "Provider" means an individual, corporation, association, firm, partnership, or other entity that is regularly engaged in providing health care services in Minnesota.

Sec. 9. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

*Subd. 4a. [EXPENDITURE REPORTING.] (a) [GENERAL REQUIREMENT.] A provider making a major spending commitment after April 1, 1992, that is in excess of \$500,000 shall submit notification of the expenditure to the commissioner and provide the commissioner with any relevant background information.*

*(b) [REPORT.] Notification must include a report, submitted within 60 days after the date of the major spending commitment, using terms conforming to the definitions in section 62J.03 and this section. Each report is subject to retrospective review and must contain:*

*(1) a detailed description of the major spending commitment and its purpose;*

*(2) the date of the major spending commitment;*

*(3) a statement of the expected impact that the major spending commitment will have on charges by the provider to patients and third party payors;*

*(4) a statement of the expected impact on the clinical effectiveness or quality of care received by the patients that the provider expects to serve;*

*(5) a statement of the extent to which equivalent services or technology are already available to the provider's actual and potential patient population;*

*(6) a statement of the distance from which the nearest equivalent services or technology are already available to the provider's actual and potential population;*

*(7) a statement describing the pursuit of any lawful collaborative arrangements; and*

*(8) a statement of assurance that the provider will not use, purchase, or perform health care technologies and procedures that are not clinically effective and cost-effective, unless the technology is used for experimental or research purposes to determine whether a technology or procedure is clinically effective and cost-effective.*

*The provider may submit any additional information that it deems relevant.*

*(c) [ADDITIONAL INFORMATION.] The commissioner may request additional information from a provider for the purpose of review of a report submitted by that provider, and may consider relevant information from other sources. A provider shall provide any information requested by the commissioner within the time period stated in the request, or within 30 days after the date of the request if the request does not state a time.*

*(d) [FAILURE TO COMPLY.] If the provider fails to submit a complete and timely expenditure report, including any additional information requested by the commissioner, the commissioner may make the provider's subsequent major spending commitments subject to the procedures of prospective review and approval under subdivision 6a.*

Sec. 10. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

*Subd. 5a. [RETROSPECTIVE REVIEW.] (a) The commissioner shall retrospectively review each major spending commitment and notify the provider of the results of the review. The commissioner shall determine whether the major spending commitment was appropriate. In making the determination, the commissioner may consider the following criteria: the major spending commitment's impact on the cost, access, and quality of health care; the clinical effectiveness and cost-effectiveness of the major spending commitment; and the alternatives available to the provider.*

*(b) The commissioner may not prevent or prohibit a major spending commitment subject to retrospective review. However, if the provider fails the retrospective review, any major spending commitments by that provider for the five-year period following the commissioner's decision are subject to prospective review under subdivision 6a.*

Sec. 11. Minnesota Statutes 1992, section 62J.17, is amended by adding a subdivision to read:

*Subd. 6a. [PROSPECTIVE REVIEW AND APPROVAL.] (a) [REQUIREMENT.] No health care provider subject to prospective review under this subdivision shall make a major spending commitment unless:*

*(1) the provider has filed an application with the commissioner to proceed with the major spending commitment and has provided all supporting documentation and evidence requested by the commissioner; and*

*(2) the commissioner determines, based upon this documentation and evidence, that the major spending commitment is appropriate under the criteria provided in subdivision 5a in light of the alternatives available to the provider.*

*(b) [APPLICATION.] A provider subject to prospective review and approval shall submit an application to the commissioner before proceeding with any major spending commitment. The application must address each item listed in subdivision 4a, paragraph (a), and must also include documentation to support the response to each item. The provider may submit information, with supporting documentation, regarding why the major spending commitment should be excepted from prospective review under paragraph (d). The submission may be made either in addition to or instead of the submission of information relating to the items listed in subdivision 4a, paragraph (a).*

*(c) [REVIEW.] The commissioner shall determine, based upon the information submitted, whether the major spending commitment is appropriate under the criteria provided in subdivision 5a, or whether it should be excepted from prospective review under paragraph (d). In making this determination, the commissioner may also consider relevant information from other sources. At the request of the commissioner, the Minnesota health care commission shall convene an expert review panel made up of persons with knowledge and expertise regarding medical equipment, specialized services, health care expenditures, and capital expenditures to review applications and make recommendations to the commissioner. The commissioner shall make a decision on the application within 60 days after an application is received.*

*(d) [EXCEPTIONS.] The prospective review and approval process does not apply to:*

(1) a major spending commitment to replace existing equipment with comparable equipment, if the old equipment will no longer be used in the state;

(2) a major spending commitment made by a research and teaching institution for purposes of conducting medical education, medical research supported or sponsored by a medical school or by a federal or foundation grant, or clinical trials;

(3) a major spending commitment to repair, remodel, or replace existing buildings or fixtures if, in the judgment of the commissioner, the project does not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided; and

(4) mergers, acquisitions, and other changes in ownership or control that, in the judgment of the commissioner, do not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided.

(e) [NOTIFICATION REQUIRED FOR EXCEPTED MAJOR SPENDING COMMITMENT.] A provider making a major spending commitment covered by paragraph (d) shall provide notification of the major spending commitment as provided under subdivision 4a.

(f) [PENALTIES AND REMEDIES.] The commissioner of health has the authority to issue fines, seek injunctions, and pursue other remedies as provided by law.

Sec. 12. Minnesota Statutes 1992, section 62J.23, is amended by adding a subdivision to read:

Subd. 4. [INTEGRATED SERVICE NETWORKS.] (a) The legislature finds that the formation and operation of integrated service networks will accomplish the purpose of the federal Medicare antikickback statute, which is to reduce the overutilization and overcharging that may result from inappropriate provider incentives. Accordingly, it is the public policy of the state of Minnesota to support the development of integrated service networks. The legislature finds that the federal Medicare antikickback laws should not be interpreted to interfere with the development of integrated service networks or to impose liability for arrangements between an integrated service network and its participating entities.

(b) An arrangement between an integrated service network and any or all of its participating entities is not subject to liability under subdivisions 1 and 2.

Sec. 13. [62J.2911] [ANTITRUST EXCEPTIONS; PURPOSE.]

The legislature finds that the goals of controlling health care costs and improving the quality of and access to health care services will be significantly enhanced by cooperative arrangements involving providers or purchasers that might be prohibited by state and federal antitrust laws if undertaken without governmental involvement. The purpose of sections 62J.2911 to 62J.2921 is to create an opportunity for the state to review proposed arrangements and to substitute regulation for competition when an arrangement is likely to result in lower costs, or greater access or quality, than would otherwise occur in the marketplace. The legislature intends that approval of arrangements be accompanied by appropriate conditions, supervision, and

*regulation to protect against private abuses of economic power, and that an arrangement approved and supervised by the commissioner shall not be subject to state and federal antitrust liability.*

Sec. 14. [62J.2912] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For purposes of sections 62J.2911 to 62J.2921, the terms defined in this section have the meanings given them.*

*Subd. 2. [ACCESS.] "Access" means the financial, temporal, and geographic availability of health care to individuals who need it.*

*Subd. 3. [APPLICANT.] "Applicant" means the party or parties to an agreement or business arrangement for which the commissioner's approval is sought under this section.*

*Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of health.*

*Subd. 5. [CONTESTED CASE.] "Contested case" means a proceeding conducted by the office of administrative hearings under sections 14.57 to 14.62.*

*Subd. 6. [COST OR COST OF HEALTH CARE.] "Cost" or "cost of health care" means the amount paid by consumers or third party payors for health care services or products. The commissioner's analysis of cost savings must focus on the individual consumer of health care. Cost savings to be realized by providers, health carriers, group purchasers, or other participants in the health care system are relevant only to the extent that the savings are likely to be passed on to the consumer. However, where an application is submitted by providers or purchasers who are paid primarily by third party payors unaffiliated with the applicant, it is sufficient for the applicant to show that cost savings are likely to be passed on to the unaffiliated third party payors; the applicants do not have the burden of proving that third party payors with whom the applicants are not affiliated will pass on cost savings to individuals receiving coverage through the third party payors.*

*Subd. 7. [CRITERIA.] "Criteria" means the cost, access, and quality of health care.*

*Subd. 8. [HEALTH CARE PRODUCTS.] "Health care products" means durable medical equipment and "medical equipment" as defined in section 62J.17, subdivision 2, paragraph (g).*

*Subd. 9. [HEALTH CARE SERVICE.] "Health care service" has the meaning given in section 62J.17, subdivision 2, paragraph (e).*

*Subd. 10. [PERSON.] "Person" means an individual or legal entity.*

Sec. 15. [62J.2913] [SCOPE.]

*Subdivision 1. [AVAILABILITY OF EXCEPTION.] Providers or purchasers wishing to engage in contracts, business or financial arrangements, or other activities, practices, or arrangements that might be construed to be violations of state or federal antitrust laws but which are in the best interests of the state and further the policies and goals of this chapter may apply to the commissioner for an exception.*

*Subd. 2. [STATE ANTITRUST LAW.] Notwithstanding the Minnesota antitrust law of 1971, as amended, in sections 325D.49 to 325D.66,*

contracts, business or financial arrangements, or other activities, practices, or arrangements involving providers or purchasers that are approved by the commissioner under section 62J.2918 do not constitute an unlawful contract, combination, or conspiracy in unreasonable restraint of trade or commerce under sections 325D.49 to 325D.66. Approval by the commissioner is an absolute defense against any action under state antitrust laws; except as provided under section 62J.2921, subdivision 5.

*Subd. 3. [ATTORNEY GENERAL CANNOT USE APPLICATION TO PROSECUTE.] The commissioner may ask the attorney general to comment on an application, but the application and any information obtained by the commissioner under sections 62J.2914 to 62J.2916 that is not otherwise available to the attorney general is not admissible in any proceeding brought by the attorney general based on an antitrust claim, except a proceeding brought under section 62J.2921, subdivision 5, based on an applicant's failure to substantially comply with the terms of the application.*

*Subd. 4. [OUT-OF-STATE APPLICANTS.] Providers or purchasers not physically located in Minnesota are eligible to seek an exception for arrangements in which they transact business in Minnesota as defined in section 295.51.*

**Sec. 16. [62J.2914] [APPLICATION.]**

*Subdivision 1. [DISCLOSURE.] An application for approval must include, to the extent applicable, disclosure of the following:*

- (1) a descriptive title;*
- (2) a table of contents;*
- (3) exact names of each party to the application and the address of the principal business office;*
- (4) the name, address, and telephone number of the persons authorized to receive notices and communications with respect to the application;*
- (5) a verified statement by a responsible officer of each party to the application attesting to the accuracy and completeness of the enclosed information;*
- (6) background information relating to the proposed arrangement, including:
  - (i) a description of the proposed arrangement, including a list of any services or products that are the subject of the proposed arrangement;*
  - (ii) an identification of any tangential services or products associated with the services or products that are the subject of the proposed arrangement;*
  - (iii) a description of the geographic territory involved in the proposed arrangement;*
  - (iv) if the geographic territory described in item (iii), is different from the territory in which the applicants have engaged in the type of business at issue over the last five years, a description of how and why the geographic territory differs;*
  - (v) identification of all products or services that a substantial share of**

consumers would consider substitutes for any service or product that is the subject of the proposed arrangement;

(vi) identification of whether any services or products of the proposed arrangement are currently being offered, capable of being offered, utilized, or capable of being utilized by other providers or purchasers in the geographic territory described in item (iii);

(vii) identification of the steps necessary, under current market and regulatory conditions, for other parties to enter the territory described in item (iii) and compete with the applicant;

(viii) a description of the previous history of dealings between the parties to the application;

(ix) a detailed explanation of the projected effects, including expected volume, change in price, and increased revenue, of the arrangement on each party's current businesses, both generally as well as the aspects of the business directly involved in the proposed arrangement;

(x) the present market share of the parties to the application and of others affected by the proposed arrangement, and projected market shares after implementation of the proposed arrangement;

(xi) a statement of why the projected levels of cost, access, or quality could not be achieved in the existing market without the proposed arrangement; and

(xii) an explanation of how the arrangement relates to any Minnesota health care commission or applicable regional coordinating board plans for delivery of health care; and

(7) a detailed explanation of how the transaction will affect cost, access, and quality. The explanation must address the factors in section 62J.2917, subdivision 2, paragraphs (b) to (d), to the extent applicable.

**Subd. 2. [STATE REGISTER NOTICE.]** In addition to the disclosures required in subdivision 1, the application must contain a written description of the proposed arrangement for purposes of publication in the State Register. The notice must include sufficient information to advise the public of the nature of the proposed arrangement, and to enable the public to provide meaningful comments concerning the expected results of the arrangement. The notice must also state that any person may provide written comments to the commissioner, with a copy to the applicant, within 20 days of the notice's publication. The commissioner shall approve the notice before publication. If the commissioner determines that the submitted notice does not provide sufficient information, the commissioner may amend the notice before publication and may consult with the applicant in preparing the amended notice. The commissioner shall not publish an amended notice without the applicant's approval.

**Subd. 3. [MULTIPLE PARTIES TO A PROPOSED ARRANGEMENT.]** For a proposed arrangement involving multiple parties, one joint application must be submitted on behalf of all parties to the arrangement.

**Subd. 4. [FILING FEE.]** An application must be accompanied by a filing fee of \$....., which must be deposited in the health care access fund. The total of the deposited application fees is appropriated annually to the commissioner to administer the antitrust exceptions program.



*Subd. 5. [TRADE SECRET INFORMATION; PROTECTION.] Trade secret information, as defined in section 13.37, subdivision 1, paragraph (b), must be protected to the extent required under chapter 13.*

*Subd. 6. [COMMISSIONER'S AUTHORITY TO REFUSE TO REVIEW.] (a) If the commissioner determines that an application is unclear, incomplete, or provides an insufficient basis on which to base a decision, the commissioner may return the application. The applicant may complete or revise the application and resubmit it.*

*(b) If, upon review of the application and upon advice from the attorney general, the commissioner concludes that the proposed arrangement does not present any potential for liability under the state or federal antitrust laws, the commissioner may decline to review the application, and so notify the applicant.*

*(c) The commissioner may decline to review any application relating to arrangements already in effect before the submission of the application. However, the commissioner shall review any application if the review is expressly provided for in a settlement agreement entered into before the enactment of this section by the applicant and the attorney general.*

**Sec. 17. [62J.2915] [NOTICE AND COMMENT.]**

*Subdivision 1. [NOTICE.] The commissioner shall cause the notice described in section 62J.2914, subdivision 2, to be published in the State Register, and sent to the Minnesota health care commission, the regional coordinating boards for any regions that include all or part of the territory covered by the proposed arrangement and any person who has requested to be placed on a list to receive notice of applications. The commissioner may maintain separate notice lists for different regions of the state. The commissioner may also send a copy of the notice to any person together with a request that the person comment as provided under subdivision 2. Copies of the request must be provided to the applicant.*

*Subd. 2. [COMMENTS.] Within 20 days after the notice is published, any person may submit to the commissioner written comments with respect to the application. Persons submitting comments shall provide a copy of the comments to the applicant. The applicant may submit to the commissioner written responses to comments within ten days after the deadline for submitting comments. The applicant shall send a copy of the response to the person submitting the comment.*

**Sec. 18. [62J.2916] [PROCEDURE FOR REVIEW OF APPLICATIONS.]**

*Subdivision 1. [CHOICE OF PROCEDURES.] After the conclusion of the period provided in section 62J.2915, subdivision 2, for the applicant to respond to comments, the commissioner shall select one of the three procedures provided in subdivision 2. In determining which procedure to use, the commissioner shall consider the following criteria:*

*(1) the size of the proposed arrangement, in terms of number of parties and amount of money involved;*

*(2) the complexity of the proposed arrangement;*

*(3) the novelty of the proposed arrangement;*

*(4) the substance and quantity of the comments received;*

(5) any comments received from the Minnesota health care commission or regional coordinating boards; and

(6) the presence or absence of any significant gaps in the factual record.

If the applicant demands a contested case hearing no later than the conclusion of the period provided in section 62J.2915, subdivision 2, for the applicant to respond to comments, the commissioner shall not select a procedure. Instead, the applicant shall be given a contested case proceeding as a matter of right.

*Subd. 2. [PROCEDURES AVAILABLE.] (a) [DECISION ON THE WRITTEN RECORD.]* The commissioner may issue a decision based on the application, the comments and the applicant's responses to the comments, to the extent each is relevant. In making the decision, the commissioner may consult with staff of the department of health and may rely on department of health data.

(b) [LIMITED HEARING.] (1) The commissioner may order a limited hearing. A copy of the order must be mailed to the applicant and to all persons who have submitted comments or requested to be kept informed of the proceedings involving the application. The order must state the date, time, and location of the limited hearing, and must identify specific issues to be addressed at the limited hearing. The issues may include the feasibility and desirability of one or more alternatives to the proposed arrangement. The order must require the applicant to submit written evidence, in the form of affidavits and supporting documents, addressing the issues identified, within 20 days after the date of the order. The order shall also state that any person may arrange to receive a copy of the written evidence from the commissioner, at the person's expense, and may provide written comments on the evidence within 40 days after the date of the order. A person providing written comments shall provide a copy of the comments to the applicant.

(2) The limited hearing must be held before the commissioner or department of health staff member designated by the commissioner. The commissioner or the commissioner's designee shall question the applicant about the evidence submitted by the applicant. The questions may address relevant issues identified in the comments submitted in response to the written evidence, or identified by department of health staff or brought to light by department of health data. At the conclusion of the applicant's responses to the questions, any person who submitted comments about the applicant's written evidence may make a statement addressing the applicant's responses to the questions. The commissioner or the commissioner's designee may ask questions of any person making a statement. At the conclusion of all statements, the applicant may make a closing statement.

(3) The commissioner's decision after a limited hearing must be based upon the application, the comments, the applicant's response to the comments, the applicant's written evidence, the comments in response to the written evidence, and the information presented at the limited hearing, to the extent each is relevant. In making the decision, the commissioner may consult with staff of the department of health and may rely on department of health data.

(c) [CONTESTED CASE HEARING.] The commissioner may order a contested case hearing. A contested case hearing shall be tried before an administrative law judge who shall issue a written recommendation to the commissioner, and shall follow the procedures in sections 14.57 to 14.62. All

*factual issues relevant to a decision must be presented in the contested case. The attorney general may appear as a party. Additional parties may appear to the extent permitted under sections 14.57 to 14.62. The record in the contested case includes the application, the comments, the applicant's response to the comments, and any other evidence that is part of the record under sections 14.57 to 14.62.*

Sec. 19. [62J.2917] [CRITERIA FOR DECISION.]

*Subdivision 1. [CRITERIA.] The commissioner shall not approve an application unless the commissioner determines that the arrangement is more likely to result in lower costs, increased access, or increased quality of health care, than would otherwise occur under existing market conditions or conditions likely to develop without an exemption from state and federal antitrust law. In the event that a proposed arrangement appears likely to improve one or two of the criteria at the expense of another one or two of the criteria, the commissioner shall not approve the application unless the commissioner determines that the proposed arrangement, taken as a whole, is likely to substantially further the purpose of this chapter. In making such a determination, the commissioner may employ a cost/benefit analysis.*

*Subd. 2. [FACTORS.] (a) [GENERALLY APPLICABLE FACTORS.] In making a determination about cost, access, and quality, the commissioner may consider the following factors, to the extent relevant:*

*(1) whether the proposal is compatible with the cost containment plan or other plan of the Minnesota health care commission or the applicable regional plans of the regional coordinating boards;*

*(2) market structure:*

*(i) actual and potential sellers and buyers, or providers and purchasers;*

*(ii) actual and potential consumers;*

*(iii) geographic market area; and*

*(iv) entry conditions;*

*(3) current market conditions;*

*(4) the historical behavior of the market;*

*(5) performance of other, similar arrangements;*

*(6) whether the proposal unnecessarily restrains competition, or restrains competition in ways not reasonably related to the purposes of this chapter; and*

*(7) the financial condition of the applicant.*

*(b) [COST.] In making determinations as to costs, the commissioner may consider:*

*(1) the cost savings likely to result to the applicant;*

*(2) the extent to which the cost savings are likely to be passed on to the consumer and in what form;*

*(3) the extent to which the proposed arrangement is likely to result in cost*

*shifting by the applicant onto other payors or purchasers of other products or services;*

*(4) the extent to which the cost shifting by the applicant is likely to be followed by other persons in the market;*

*(5) the current and anticipated supply and demand for any products or services at issue;*

*(6) the representations and guarantees of the applicant, and their enforceability;*

*(7) likely effectiveness of regulation by the commissioner;*

*(8) inferences to be drawn from market structure;*

*(9) the cost of regulation, both for the state and for the applicant; and*

*(10) any other factors tending to show that the proposed arrangement is or is not likely to reduce cost.*

*(c) [ACCESS.] In making determinations as to access, the commissioner may consider:*

*(1) the extent to which the utilization of needed health care services or products by the intended targeted population is likely to increase or decrease. When a proposed arrangement is likely to increase access in one geographic area, by lowering prices or otherwise expanding supply, but limits access in another geographic area by removing service capabilities from that second area, the commissioner shall articulate the criteria employed to balance these effects;*

*(2) the extent to which the proposed arrangement is likely to make available a new service or product to a certain geographic area; and*

*(3) the extent to which the proposed arrangement is likely to otherwise make health care services or products more financially or geographically available to persons who need them.*

*If the commissioner determines that the proposed arrangement is likely to increase access, the commissioner shall also determine and make a specific finding that the increased access is not due to overutilization of the product or service for which access is expanded.*

*(d) [QUALITY.] In making determinations as to quality, the commissioner may consider the extent to which the proposed arrangement is likely to:*

*(1) decrease morbidity and mortality;*

*(2) result in faster convalescence;*

*(3) result in fewer hospital days;*

*(4) permit providers to attain needed experience or frequency of treatment, leading to better outcomes;*

*(5) increase patient satisfaction; and*

*(6) have any other features likely to improve or reduce the quality of health care.*

Sec. 20. [62J.2918] [DECISION.]

*Subdivision 1. [APPROVAL OR DISAPPROVAL.] The commissioner shall issue a written decision approving or disapproving the application. The commissioner may condition approval on a modification of all or part of the proposed arrangement to eliminate any restriction on competition that is not reasonably related to the goals of reducing cost or improving access or quality. The commissioner may also establish conditions for approval that are reasonably necessary to protect against abuses of private economic power and to ensure that the arrangement is appropriately supervised and regulated by the state.*

*Subd. 2. [FINDINGS OF FACT.] The commissioner's decision shall make specific findings of fact concerning the cost, access, and quality criteria, and identify one or more of those criteria as the basis for the decision.*

*Subd. 3. [DATA FOR SUPERVISION.] A decision approving an application must require the periodic submission of specific data relating to cost, access, and quality, and to the extent feasible, identify objective standards of cost, access, and quality by which the success of the arrangement will be measured. However, if the commissioner determines that the scope of a particular proposed arrangement is such that the arrangement is certain to have neither a positive or negative impact on one or two of the criteria, the commissioner's decision need not require the submission of data or establish an objective standard relating to those criteria.*

**Sec. 21. [62J.2919] [APPEAL.]**

*After the commissioner has rendered a decision, the applicant or any other person aggrieved may appeal the decision to the Minnesota court of appeals within 30 days after receipt of the commissioner's decision. The appeal is governed by sections 14.63 to 14.69. The appellate process does not include a contested case under sections 14.57 to 14.62. The commissioner's determination, under section 62J.2916, subdivision 1, of which procedure to use may not be raised as an issue on appeal.*

**Sec. 22. [62J.2920] [SUPERVISION AFTER APPROVAL.]**

*Subdivision 1. [ACTIVE SUPERVISION.] The commissioner shall actively supervise, monitor, and regulate approved arrangements.*

*Subd. 2. [PROCEDURES.] The commissioner shall review data submitted periodically by the applicant. The commissioner's order shall set forth the time schedule for the submission of data, which shall be at least once a year. The commissioner's order must identify the data that must be submitted, although the commissioner may subsequently require the submission of additional data or alter the time schedule. Upon review of the data submitted, the commissioner shall notify the applicant of whether the arrangement is in compliance with the commissioner's order. If the arrangement is not in compliance with the commissioner's order, the commissioner shall identify those respects in which the arrangement does not conform to the commissioner's order.*

*An applicant receiving notification that an arrangement is not in compliance has 30 days in which to respond with additional data. The response may include a proposal and a time schedule by which the applicant will bring the arrangement into compliance with the commissioner's order. If the arrangement is not in compliance and the commissioner and the applicant cannot*

agree to the terms of bringing the arrangement into compliance, the matter shall be set for a contested case hearing.

The commissioner shall publish notice in the State Register two years after the date of an order approving an application, and at two-year intervals thereafter, soliciting comments from the public concerning the impact that the arrangement has had on cost, access, and quality. The commissioner may request additional oral or written information from the applicant or from any other source.

Subd. 3. [STUDY.] The commissioner shall study and make recommendations by January 15, 1995, on the appropriate length and scope of active supervision of arrangements approved for exemption from the antitrust laws.

Sec. 23. [62J.2921] [REVOCATION.]

Subdivision 1. [CONDITIONS.] The commissioner may revoke approval of a cooperative arrangement only if:

(1) the arrangement is not in substantial compliance with the terms of the application;

(2) the arrangement is not in substantial compliance with the conditions of approval;

(3) the arrangement has not and is not likely to substantially achieve the improvements in cost, access, or quality identified in the approval order as the basis for the commissioner's approval of the arrangement; or

(4) the conditions in the marketplace have changed to such an extent that competition would promote reductions in cost and improvements in access and quality better than does the arrangement at issue. In order to revoke on the basis that conditions in the marketplace have changed, the commissioner's order must identify specific changes in the marketplace and articulate why those changes warrant revocation.

Subd. 2. [NOTICE.] The commissioner shall begin a proceeding to revoke approval by providing written notice to the applicant describing in detail the basis for the proposed revocation. Notice of the proceeding must be published in the State Register and submitted to the Minnesota health care commission and the applicable regional coordinating boards. The notice must invite the submission of comments to the commissioner.

Subd. 3. [PROCEDURE.] A proceeding to revoke an approval must be conducted as a contested case proceeding upon the written request of the applicant. Decisions of the commissioner in a proceeding to revoke approval are subject to judicial review under sections 14.63 to 14.69.

Subd. 4. [ALTERNATIVES TO REVOCATION PREFERRED.] In deciding whether to revoke an approval, the commissioner shall take into account the hardship that the revocation may impose on the applicant, and any potential disruption of the market as a whole. The commissioner shall not revoke an approval if the arrangement can be modified, restructured, or regulated so as to remedy the problem upon which the revocation proceeding is based. The applicant may submit proposals for alternatives to revocation. Before approving an alternative to revocation that involves modifying or restructuring an arrangement, the commissioner shall publish notice in the State Register that any person may comment on the proposed modification or restructuring within 20 days after publication of the notice. The commissioner

shall not approve the modification or restructuring until the comment period has concluded. An approved, modified, or restructured arrangement is subject to active supervision under section 62J.2920.

*Subd. 5. [IMPACT OF REVOCATION.] An applicant that has had its approval revoked is not required to terminate the arrangement. The applicant cannot be held liable under state or federal antitrust law for acts that occurred while the approval was in effect, except to the extent that the applicant failed to substantially comply with the terms of its application or failed to substantially comply with the terms of the approval. The applicant is fully subject to state and federal antitrust law after the revocation becomes effective, and may be held liable for acts that occur after the revocation.*

**Sec. 24. [UNIVERSAL COVERAGE PLAN.]**

*The health care commission shall develop and submit to the legislature and the governor by December 15, 1993, a comprehensive plan that will lead to universal health coverage for all Minnesotans by January 1, 1997. The plan must include an implementation plan and time schedule for the coordinated phasing in of health insurance reforms, changes or expansions in government programs, and other actions recommended by the commission. The plan must also include annual targets for expanding coverage to uninsured persons and populations and periodic evaluations of the progress being made toward achieving annual targets and universal coverage.*

**Sec. 25. [REPEALER.]**

*Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; and 62J.29, are repealed.*

**Sec. 26. [EFFECTIVE DATE.]**

*Sections 1 to 25 are effective the day following final enactment. Sections 8 to 11 apply retroactively to any major spending commitment entered into after April 1, 1992, except that the requirements of section 62J.17, subdivision 4a, paragraph (a), that a report be submitted within 60 days after a major spending commitment and that a report include the items specifically listed are not retroactive.*

## ARTICLE 8

### SMALL EMPLOYER INSURANCE REFORM

Section 1. Minnesota Statutes 1992, section 62L.02, subdivision 26, is amended to read:

**Subd. 26. [SMALL EMPLOYER.]** "Small employer" means a person, firm, corporation, partnership, association, or other entity actively engaged in business who, on at least 50 percent of its working days during the preceding calendar year, employed no fewer than two nor more than 29 eligible employees, the majority of whom were employed in this state. If a small employer has only two eligible employees, one employee must not be the spouse, child, sibling, parent, or grandparent of the other, except that a small employer plan may be offered through a domiciled association to self-employed individuals and small employers who are members of the association, even if the self-employed individual or small employer has fewer than two employees or the employees are family members. Entities that are eligible to file a combined tax return for purposes of state tax laws are considered a

single employer for purposes of determining the number of eligible employees. Small employer status must be determined on an annual basis as of the renewal date of the health benefit plan. The provisions of this chapter continue to apply to an employer who no longer meets the requirements of this definition until the annual renewal date of the employer's health benefit plan. Where an association, described in section 62A.10, subdivision 1, comprised of employers contracts with a health carrier to provide coverage to its members who are small employers, the association may elect to be considered to be a small employer, even though the association provides coverage to more than 29 employees of its members, so long as each employer that is provided coverage through the association qualifies as a small employer. An association's election to be considered a small employer under this section is not effective unless filed with the commissioner of commerce *and unless the association notifies a health carrier of the election before purchasing coverage from the carrier.* The association may revoke its election at any time by filing notice of revocation with the commissioner. *If an employer has employees covered under a trust established in a collective bargaining agreement under the federal Labor-Management Relations Act of 1947, United States Code, title 29, section 141, et seq., as amended, those employees are excluded in determining whether the employer qualifies as a small employer.*

Sec. 2. Minnesota Statutes 1992, section 62L.02, subdivision 27, is amended to read:

Subd. 27. [SMALL EMPLOYER MARKET.] (a) "Small employer market" means the market for health benefit plans for small employers.

(b) A health carrier is considered to be participating in the small employer market if the carrier offers, sells, issues, or renews a health benefit plan to: (1) any small employer; or (2) the eligible employees of a small employer offering a health benefit plan if, with the knowledge of the health carrier, ~~both~~ *either* of the following conditions ~~are~~ *is* met:

(i) any portion of the premium or benefits is paid for or reimbursed by a small employer; ~~and~~ *or*

(ii) the health benefit plan is treated by the employer or any of the eligible employees or dependents as part of a plan or program for the purposes of the Internal Revenue Code, section 106, 125, or 162.

Sec. 3. Minnesota Statutes 1992, section 62L.03, subdivision 3, is amended to read:

Subd. 3. [MINIMUM PARTICIPATION.] (a) A small employer that has at least 75 percent of its eligible employees who have not waived coverage participating in a health benefit plan must be guaranteed coverage from any health carrier participating in the small employer market. The participation level of eligible employees must be determined at the initial offering of coverage and at the renewal date of coverage. A health carrier may not increase the participation requirements applicable to a small employer at any time after the small employer has been accepted for coverage. For the purposes of this subdivision, waiver of coverage includes only waivers due to coverage under another group health plan. *If a small employer does not satisfy the 75 percent participation requirement, a health carrier may decline to issue or renew coverage. If a health carrier voluntarily issues or renews a health*



*benefit plan in that situation, the health benefit plan must fully comply with this chapter.*

(b) A health carrier may require that small employers contribute a specified minimum percentage toward the cost of the coverage of eligible employees, so long as the requirement is uniformly applied for all small employers and for all types of health benefit plans, except for the small employer plans. If a small employer does not satisfy a health carrier's contribution requirement under this paragraph, the health carrier shall not issue or renew a health benefit plan to the small employer and shall not issue or renew individual coverage to the small employer's employees or their dependents, except as permitted under section 62L.12, subdivision 2.

(c) For the small employer plans, a health carrier must shall require that small employers contribute at least 50 percent of the cost of the coverage of eligible employees. The health carrier must shall impose this small employer plan contribution requirement on a uniform basis for both small employer plans and for all small employers seeking to purchase a small employer plan. If a small employer does not satisfy the contribution requirement under this paragraph, a health carrier shall not issue or renew a small employer plan to the small employer and shall not issue or renew individual coverage to the small employer's employees or their dependents, except as permitted under section 62L.12, subdivision 2.

(e) (d) Nothing in this section obligates a health carrier to issue coverage to a small employer that currently offers coverage through a health benefit plan from another health carrier, unless the new coverage will replace the existing coverage and not serve as one of two or more health benefit plans offered by the employer.

Sec. 4. Minnesota Statutes, 1992, section 62L.03, subdivision 4, is amended to read:

Subd. 4. [UNDERWRITING RESTRICTIONS.] Health carriers may apply underwriting restrictions to coverage for health benefit plans for small employers, including any preexisting condition limitations, only as expressly permitted under this chapter. For purposes of this subdivision, "underwriting restrictions" means any refusal of the health carrier to issue or renew coverage, any premium rate higher than the lowest rate charged by the health carrier for the same coverage, or any preexisting condition limitation or exclusion. Health carriers may collect information relating to the case characteristics and demographic composition of small employers, as well as health status and health history information about employees of small employers. Except as otherwise authorized for late entrants, preexisting conditions may be excluded by a health carrier for a period not to exceed 12 months from the effective date of coverage of an eligible employee or dependent. When calculating a preexisting condition limitation, a health carrier shall credit the time period an eligible employee or dependent was previously covered by qualifying prior coverage, provided that the individual maintains continuous coverage. Late entrants may be subject to a preexisting condition limitation not to exceed 18 months from the effective date of coverage of the late entrant. Late entrants may also be excluded from coverage for a period not to exceed 18 months, provided that if a health carrier imposes an exclusion from coverage and a preexisting condition limitation, the combined time period for both the coverage exclusion and preexisting condition limitation must not exceed 18 months.

Sec. 5. Minnesota Statutes 1992, section 62L.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY OF CHAPTER REQUIREMENTS.] Beginning July 1, 1993, health carriers participating in the small employer market must offer and make available any health benefit plan that they offer, including both of the small employer plans provided in section 62L.05, to all small employers who satisfy the small employer participation *and contribution* requirements specified in this chapter. Compliance with these requirements is required as of the first renewal date of any small employer group occurring after July 1, 1993. For new small employer business, compliance is required as of the first date of offering occurring after July 1, 1993.

Compliance with these requirements is required as of the first renewal date occurring after July 1, 1994, with respect to employees of a small employer who had been issued individual coverage prior to July 1, 1993, administered by the health carrier on a group basis. Notwithstanding any other law to the contrary, the health carrier shall terminate any individual coverage for employees of small employers who satisfy the small employer participation requirements specified in section 62L.03 and offer to replace it with a health benefit plan. If the employer elects not to purchase a health benefit plan, the health carrier must offer all covered employees and dependents the option of maintaining their current coverage, administered on an individual basis, or replacement individual coverage. Small employer and replacement individual coverage provided under this subdivision must be without application of underwriting restrictions, provided continuous coverage is maintained.

Sec. 6. Minnesota Statutes 1992, section 62L.05, subdivision 4, is amended to read:

Subd. 4. [BENEFITS.] The medical services and supplies listed in this subdivision are the benefits that must be covered by the small employer plans described in subdivisions 2 and 3:

(1) inpatient and outpatient hospital services, excluding services provided for the diagnosis, care, or treatment of chemical dependency or a mental illness or condition, other than those conditions specified in clauses (10), (11), and (12);

(2) physician, *chiropractor*, and nurse practitioner services for the diagnosis or treatment of illnesses, injuries, or conditions;

(3) diagnostic X-rays and laboratory tests;

(4) ground transportation provided by a licensed ambulance service to the nearest facility qualified to treat the condition, or as otherwise required by the health carrier;

(5) services of a home health agency if the services qualify as reimbursable services under Medicare and are directed by a physician or qualify as reimbursable under the health carrier's most commonly sold health plan for insured group coverage;

(6) services of a private duty registered nurse if medically necessary, as determined by the health carrier;

(7) the rental or purchase, as appropriate, of durable medical equipment, other than eyeglasses and hearing aids;

(8) child health supervision services up to age 18, as defined in section 62A.047;

(9) maternity and prenatal care services, as defined in sections 62A.041 and 62A.047;

(10) inpatient hospital and outpatient services for the diagnosis and treatment of certain mental illnesses or conditions, as defined by the International Classification of Diseases-Clinical Modification (ICD-9-CM), seventh edition (1990) and as classified as ICD-9 codes 295 to 299;

(11) ten hours per year of outpatient mental health diagnosis or treatment for illnesses or conditions not described in clause (10);

(12) 60 hours per year of outpatient treatment of chemical dependency; and

(13) 50 percent of eligible charges for prescription drugs, up to a separate annual maximum out-of-pocket expense of \$1,000 per individual for prescription drugs, and 100 percent of eligible charges thereafter.

Sec. 7. Minnesota Statutes 1992, section 62L.05, subdivision 6, is amended to read:

Subd. 6. [CHOICE PRODUCTS EXCEPTION.] Nothing in subdivision 1 prohibits a health carrier from offering a small employer plan which provides for different benefit coverages based on whether the benefit is provided through a primary network of providers or through a secondary network of providers so long as the benefits provided in the primary network equal the benefit requirements of the small employer plan as described in this section. For purposes of products issued under this subdivision, out-of-pocket costs in the secondary network may exceed the out-of-pocket limits described in subdivision 1. *A secondary network must not be used to provide "benefits in addition" as defined in subdivision 5, except in compliance with that subdivision.*

Sec. 8. Minnesota Statutes 1992, section 62L.09, subdivision 1, is amended to read:

Subdivision 1. [NOTICE TO COMMISSIONER.] A health carrier electing to cease doing business in the small employer market shall notify the commissioner 180 days prior to the effective date of the cessation. ~~The cessation of business does not include the failure of a health carrier to offer or issue new business in the small employer market or continue an existing product line, provided that a health carrier does not terminate, cancel, or fail to renew its current small employer business or other product lines.~~ *The health carrier shall simultaneously provide a copy of the notice to each small employer covered by a health benefit plan issued by the health carrier.*

*Upon making the notification, the health carrier shall not offer or issue new business in the small employer market. The health carrier shall renew its current small employer business due for renewal within 120 days after the date of the notification, but shall not renew any small employer business more than 120 days after the date of the notification.*

*A health carrier that elects to cease doing business in the small employer market shall continue to be governed by this chapter with respect to any continuing small employer business conducted by the health carrier.*

Sec. 9. [REPEALER.]

*Minnesota Statutes 1992, section 62L.09, subdivision 2, is repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective July 1, 1993.*

## ARTICLE 9

### INDIVIDUAL MARKET REFORM; MISCELLANEOUS

Section 1. Minnesota Statutes 1992, section 62A.021, subdivision 1, is amended to read:

Subdivision 1. [LOSS RATIO STANDARDS.] Notwithstanding section 62A.02, subdivision 3, relating to loss ratios, a health care policy form or certificate form shall not be delivered or issued for delivery to an individual or to a small employer as defined in section 62L.02, unless the policy form or certificate form can be expected, as estimated for the entire period for which rates are computed to provide coverage, to return to Minnesota policyholders and certificate holders in the form of aggregate benefits not including anticipated refunds or credits, provided under the policy form or certificate form, (1) at least 75 percent of the aggregate amount of premiums earned in the case of policies issued in the small employer market, as defined in section 62L.02, subdivision 27; and (2) at least 65 percent of the aggregate amount of premiums earned in the case of policies issued in the individual market, calculated on the basis of incurred claims experience or incurred health care expenses where coverage is provided by a health maintenance organization on a service rather than reimbursement basis and earned premiums for the period and according to accepted actuarial principles and practices. A health carrier shall demonstrate that the third-year loss ratio is greater than or equal to the applicable percentage. Assessments by the reinsurance association created in chapter 62L and any types of taxes, surcharges, or assessments created by Laws 1992, chapter 549, or created on or after April 23, 1992, are included in the calculation of incurred claims experience or incurred health care expenses. The applicable percentage for policy forms and certificate forms issued in the small employer market, as defined in section 62L.02, increases by one percentage point on July January 1 of each year beginning on January 1, 1995, until an 80 percent loss ratio is reached on July January 1, 1998 1999. The applicable percentage for policy forms and certificate forms issued in the individual market increases by one percentage point on July January 1 of each year, until a 70 percent loss ratio is reached on July January 1, 1998 1999. A health carrier that enters a market after July 1, 1993, does not start at the beginning of the phase-in schedule and must instead comply with the loss ratio requirements applicable to other health carriers in that market for each time period. Premiums earned and claims incurred in markets other than the small employer and individual markets are not relevant for purposes of this section.

Notwithstanding section 645.26, any act enacted at the 1992 regular legislative session that amends or repeals section 62A.135 or that otherwise changes the loss ratios provided in that section is void.

All filings of rates and rating schedules shall demonstrate that actual expected claims in relation to premiums comply with the requirements of this section when combined with actual experience to date. Filings of rate revisions shall also demonstrate that the anticipated loss ratio over the entire future period for which the revised rates are computed to provide coverage can

be expected to meet the appropriate loss ratio standards, and aggregate loss ratio from inception of the policy form or certificate form shall equal or exceed the appropriate loss ratio standards.

A health carrier that issues health care policies and certificates to individuals or to small employers, as defined in section 62L.02, in this state shall file annually its rates, rating schedule, and supporting documentation including ratios of incurred losses to earned premiums by policy form or certificate form duration for approval by the commissioner according to the filing requirements and procedures prescribed by the commissioner. The supporting documentation shall also demonstrate in accordance with actuarial standards of practice using reasonable assumptions that the appropriate loss ratio standards can be expected to be met over the entire period for which rates are computed. The demonstration shall exclude active life reserves. ~~An expected third-year loss ratio which is greater than or equal to the applicable percentage shall be demonstrated for policy forms or certificate forms in force less than three years.~~ If the data submitted does not confirm that the health carrier has satisfied the loss ratio requirements of this section, the commissioner shall notify the health carrier in writing of the deficiency. The health carrier shall have 30 days from the date of the commissioner's notice to file amended rates that comply with this section. If the health carrier fails to file amended rates within the prescribed time, the commissioner shall order that the health carrier's filed rates for the nonconforming policy form or certificate form be reduced to an amount that would have resulted in a loss ratio that complied with this section had it been in effect for the reporting period of the supplement. The health carrier's failure to file amended rates within the specified time or the issuance of the commissioner's order amending the rates does not preclude the health carrier from filing an amendment of its rates at a later time. 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.

Each sale of a policy or certificate 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.

For purposes of this section, health care policies issued as a result of solicitations of individuals through the mail or mass media advertising, including both print and broadcast advertising, shall be treated as individual policies.

For purposes of this section, (1) "health care policy" or "health care certificate" is a health plan as defined in section 62A.011; and (2) "health carrier" has the meaning given in section 62A.011 and includes all health carriers delivering or issuing for delivery health care policies or certificates in this state or offering these policies or certificates to residents of this state.

*The first period for which the loss ratio required by this section must be calculated is the 18-month period beginning July 1, 1993. Beginning January 1, 1995, the loss ratio must be calculated on a calendar year basis.*

Sec. 2. Minnesota Statutes 1992, section 62A.65, is amended to read:

62A.65 [INDIVIDUAL MARKET REGULATION.]

Subdivision 1. [APPLICABILITY.] No health carrier, as defined in chapter 62L, section 62A.011, shall offer, sell, issue, or renew any individual policy of accident and sickness coverage, as defined in section 62A.01, subdivision 1, any individual subscriber contract regulated under chapter 62C, any individual health maintenance contract regulated under chapter 62D, any individual health benefit certificate regulated under chapter 64B, or any individual health coverage provided by a multiple employer welfare arrangement, health plan, as defined in section 62A.011, to a Minnesota resident except in compliance with this section. For purposes of this section, "health benefit plan" has the meaning given in chapter 62L, except that the term means individual coverage, including family coverage, rather than employer group coverage. This section does not apply to the comprehensive health association established in section 62E.10 or to coverage described in section 62A.31, subdivision 1, paragraph (h), or to long-term care policies as defined in section 62A.46, subdivision 2.

Subd. 2. [GUARANTEED RENEWAL.] No individual health benefit plan may be offered, sold, issued, or renewed to a Minnesota resident unless the health benefit plan provides that the plan is guaranteed renewable at a premium rate that does not take into account the claims experience or any change in the health status of any covered person that occurred after the initial issuance of the health benefit plan to the person. The premium rate upon renewal must also otherwise comply with this section. An individual health benefit plan may be subject to refusal to renew only under the conditions provided in chapter 62L for health benefit plans.

Subd. 3. [PREMIUM RATE RESTRICTIONS.] No individual health benefit plan may be offered, sold, issued, or renewed to a Minnesota resident unless the premium rate charged is determined in accordance with the rating and premium restrictions provided under chapter 62L, except that the minimum loss ratio applicable to an individual coverage health plan is as provided in section 62A.021. All provisions rating and premium restrictions of chapter 62L apply to rating and premium restrictions in the individual market, unless clearly inapplicable to the individual market.

Subd. 4. [GENDER RATING PROHIBITED.] No individual health benefit plan offered, sold, issued, or renewed to a Minnesota resident may determine the premium rate or any other underwriting decision, including initial issuance, on the gender of any person covered or to be covered under the health benefit plan.

Subd. 5. [PORTABILITY OF COVERAGE.] (a) No individual health benefit plan may be offered, sold, or issued, or renewed to a Minnesota resident that contains a preexisting condition limitation or exclusion, unless the limitation or exclusion would be permitted under chapter 62L provided that underwriting restrictions may be retained on individual contracts that are issued without evidence of insurability as a replacement for prior individual coverage. The individual may be treated as a late entrant, as defined in chapter 62L, unless the individual has maintained continuous coverage as defined in chapter 62L. An individual who has maintained continuous coverage may be subjected to a one-time preexisting condition limitation as permitted under chapter 62L for persons who are not late entrants, at the time that the individual first is covered by under an individual coverage health plan by any health carrier. Thereafter, the person must not be subject to any preexisting condition limitation under an individual health plan by any health carrier,

except an unexpired portion of a limitation under prior coverage, so long as the individual maintains continuous coverage.

(b) A health carrier must offer *an individual coverage health plan* to any individual previously covered under a group health benefit plan issued by that health carrier, so long as the individual maintained continuous coverage as defined in chapter 62L. *Coverage A health plan* issued under this paragraph must not contain any preexisting condition limitation or exclusion, except for any unexpired limitation or exclusion under the previous coverage. The initial premium rate for the individual *coverage health plan* must comply with subdivision 3. The premium rate upon renewal must comply with subdivision 2.

Subd. 6. [GUARANTEED ISSUE NOT REQUIRED.] Nothing in this section requires a health carrier to initially issue a health benefit plan to a Minnesota resident, except as otherwise expressly provided in subdivision 4 or 5.

Sec. 3. Minnesota Statutes 1992, section 62E.02, subdivision 23, is amended to read:

Subd. 23. [CONTRIBUTING MEMBER.] "Contributing member" means those companies regulated under chapter 62A and offering, selling, issuing, or renewing policies or contracts of accident and health insurance; health maintenance organizations regulated under chapter 62D; nonprofit health service plan corporations regulated under chapter 62C; fraternal benefit societies regulated under chapter 64B; the private employers insurance program established in section 43A.317, effective July 1, 1993; *integrated service networks operating under chapter 62N*; and joint self-insurance plans regulated under chapter 62H. For the purposes of determining liability of contributing members pursuant to section 62E.11 payments received from or on behalf of Minnesota residents for coverage by a health maintenance organization shall be considered to be accident and health insurance premiums.

Sec. 4. Minnesota Statutes 1992, section 62E.10, subdivision 1, is amended to read:

Subdivision 1. [CREATION; TAX EXEMPTION.] There is established a comprehensive health association to promote the public health and welfare of the state of Minnesota with membership consisting of all insurers; self-insurers; fraternal; joint self-insurance plans regulated under chapter 62H; the private employers insurance program established in section 43A.317, effective July 1, 1993; *integrated service networks operating under chapter 62N*; and health maintenance organizations licensed or authorized to do business in this state. The comprehensive health association shall be exempt from taxation under the laws of this state and all property owned by the association shall be exempt from taxation.

Sec. 5. Minnesota Statutes 1992, section 62E.10, subdivision 3, is amended to read:

Subd. 3. [MANDATORY MEMBERSHIP.] All members shall maintain their membership in the association as a condition of doing accident and health insurance, self-insurance, *integrated service network*, or health maintenance organization business in this state. The association shall submit its articles, bylaws and operating rules to the commissioner for approval;

provided that the adoption and amendment of articles, bylaws and operating rules by the association and the approval by the commissioner thereof shall be exempt from the provisions of sections 14.001 to 14.69.

Sec. 6. Minnesota Statutes 1992, section 62E.11, subdivision 12, is amended to read:

Subd. 12. [FUNDING.] Notwithstanding subdivision 5, the claims expenses and operating and administrative expenses of the association incurred on or after January 1, 1994, to the extent that they exceed the premiums received, shall be paid from the health care access account established in section 16A.724, to the extent appropriated for that purpose by the legislature. Any such expenses not paid from that account shall be paid as otherwise provided in this section. All contributing members shall adjust their premium rates to fully reflect funding provided under this subdivision. The commissioner of commerce or the commissioner of health, as appropriate, shall require contributing members to prove compliance with this rate adjustment requirement.

Sec. 7. Minnesota Statutes 1992, section 62L.02, subdivision 16, is amended to read:

Subd. 16. [HEALTH CARRIER.] "Health carrier" means an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; an integrated service network; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; and a multiple employer welfare arrangement, as defined in United States Code, title 29, section 1002(40), as amended through December 31, 1991. For the purpose of this chapter, companies that are affiliated companies or that are eligible to file a consolidated tax return must be treated as one carrier, except that any insurance company or health service plan corporation that is an affiliate of a health maintenance organization located in Minnesota, or any health maintenance organization located in Minnesota that is an affiliate of an insurance company or health service plan corporation, or any health maintenance organization that is an affiliate of another health maintenance organization in Minnesota, may treat the health maintenance organization as a separate carrier.

Sec. 8. [EFFECTIVE DATE.]

*Sections 1, 2, and 6 are effective July 1, 1993. Sections 3, 4, 5, and 7 are effective January 1, 1994.*

## ARTICLE 10

### MINNESOTACARE PROGRAM

Section 1. Minnesota Statutes 1992, section 256.9351, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE PROVIDERS.] "Eligible providers" means those health care providers who provide covered health services to medical assistance recipients under rules established by the commissioner for that program. ~~Reimbursement under this section shall be at the same rates and conditions established for medical assistance.~~



Sec. 2. Minnesota Statutes 1992, section 256.9353, is amended to read:

Subdivision 1. [COVERED HEALTH SERVICES.] "Covered health services" means the health services reimbursed under chapter 256B, with the exception of inpatient hospital services, special education services, private duty nursing services, orthodontic services, medical transportation services, personal care assistant and case management services, hospice care services, nursing home or intermediate care facilities services, inpatient mental health services, outpatient mental health services in excess of \$1,000 per adult enrollee and \$2,500 per child enrollee per 12-month eligibility period, and chemical dependency services. Outpatient mental health services covered under the health right plan are limited to diagnostic assessments, psychological testing, explanation of findings, and individual, family, and group psychotherapy. Medication management by a physician is not subject to the \$1,000 and \$2,500 limitations on outpatient mental health services. Covered health services shall be expanded as provided in this section for enrollees eligible under section 256.9354, subdivisions 2, 3, 4, and 5. Covered health services for enrollees eligible under section 256.9354, subdivision 1, shall continue as provided in this subdivision.

Subd. 2. [ALCOHOL AND DRUG DEPENDENCY.] Beginning October July 1, 1992 1993, covered health services shall include up to ten hours per year of individual outpatient treatment of alcohol or drug dependency by a qualified health professional or outpatient program. Two hours of group treatment count as one hour of individual treatment.

Persons who may need chemical dependency services under the provisions of this chapter shall be assessed by a local agency as defined under section 254B.01, and under the assessment provisions of section 254A.03, subdivision 3. A local agency must place a person in need of chemical dependency services as provided in Minnesota Rules, parts 9530.6600 to 9530.6660. Persons who are recipients of medical benefits under the provisions of this chapter and who are financially eligible for consolidated chemical dependency treatment fund services provided under the provisions of chapter 254B shall receive chemical dependency treatment services under the provisions of chapter 254B only if:

- (1) they have exhausted the chemical dependency benefits offered under this chapter; or
- (2) an assessment indicates that they need a level of care not provided under the provisions of this chapter.

Subd. 3. [INPATIENT HOSPITAL SERVICES.] (a) Beginning July 1, 1993, covered health services shall include inpatient hospital services, including inpatient hospital mental health services and inpatient chemical dependency treatment, subject to those limitations necessary to coordinate the provision of these services with eligibility under the medical assistance spend-down. The inpatient hospital benefit for adult enrollees not eligible for medical assistance is subject to an annual benefit limit of \$10,000. The commissioner shall provide enrollees with at least 60 days' notice of coverage for inpatient hospital services and any premium increase associated with the inclusion of this benefit.

(b) Enrollees shall apply for and cooperate with the requirements of medical assistance by the last day of the third month following admission to an inpatient hospital for nonmental health services. If an enrollee fails to

*apply for medical assistance within this time period, the enrollee and the enrollee's family shall be disenrolled from the plan within one calendar month. Enrollees and enrollees' families disenrolled for not applying for or not cooperating with medical assistance may not reenroll.*

Subd. 4. [EMERGENCY MEDICAL TRANSPORTATION SERVICES.] Beginning July 1, 1993, covered health services shall include emergency medical transportation services.

Subd. 5. [FEDERAL WAIVERS AND APPROVALS COORDINATION WITH MEDICAL ASSISTANCE.] The commissioner shall coordinate the provision of hospital inpatient services under the health right plan with enrollee eligibility under the medical assistance spend-down, and shall apply to the secretary of health and human services for any necessary federal waivers or approvals.

Subd. 6. [COPAYMENTS AND COINSURANCE.] The health right benefit plan shall include the following copayments and coinsurance requirements:

(1) ten percent of the charges submitted for inpatient hospital services for adult enrollees not eligible for medical assistance, subject to an annual out-of-pocket maximum of ~~\$2,000~~ \$1,000 per individual and \$3,000 per family;

(2) 50 percent for adult dental services, except for preventive services;

(3) \$3 per prescription for adult enrollees; and

(4) \$25 for eyeglasses for adult enrollees.

Enrollees who would be eligible for medical assistance with a spend-down shall be financially responsible for the coinsurance amount up to the spend-down limit or the coinsurance amount, whichever is less, in order to become eligible for the medical assistance program.

Sec. 3. Minnesota Statutes 1992, section 256.9354, subdivision 1, is amended to read:

Subdivision 1. [CHILDREN.] "Eligible persons" means children who are ~~one year~~ 18 months of age or older but less than 18 years of age who have gross family incomes that are equal to or less than 185 percent of the federal poverty guidelines and who are not eligible for medical assistance under chapter 256B and who are not otherwise insured for the covered services. The period of eligibility extends from the first day of the month in which the ~~child's first birthday occurs~~ child becomes 18 months old to the last day of the month in which the child becomes 18 years old. Eligibility for the health right plan MinnesotaCare shall be expanded as provided in subdivisions 2 to 5. Under subdivisions 2 to 5, parents who enroll in the health right plan must also enroll their children and dependent siblings, if the children and their dependent siblings are eligible. Children and dependent siblings may be enrolled separately without enrollment by parents. However, if one parent in the household enrolls, both parents must enroll, unless other insurance is available. If one child from a family is enrolled, all children must be enrolled, unless other insurance is available. Families cannot choose to enroll only certain uninsured members. For purposes of this section, a "dependent sibling" means an unmarried child who is a full-time student under the age of

25 years who is financially dependent upon a parent. Proof of school enrollment will be required.

Sec. 4. Minnesota Statutes 1992, section 256.9354, subdivision 4, is amended to read:

Subd. 4. [FAMILIES WITH CHILDREN; ELIGIBILITY BASED ON PERCENTAGE OF INCOME PAID FOR HEALTH COVERAGE.] Beginning January 1, 1993, "eligible persons" means children, parents, and dependent siblings residing in the same household who are not eligible for medical assistance under chapter 256B. These persons are eligible for coverage through the health right plan but *MinnesotaCare* and who are eligible under subdivisions 2, 3, 4, or 5 must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the health right plan. Individuals who initially enroll in the health right plan under the eligibility criteria in this subdivision remain eligible for the health right plan, regardless of age, place of residence within Minnesota, or the presence or absence of children in the same household, as long as all other eligibility requirements are met and continuous enrollment in the health right plan or medical assistance is maintained.

Sec. 5. Minnesota Statutes 1992, section 256.9356, subdivision 1, is amended to read:

Subdivision 1. [ENROLLMENT FEE.] ~~Until October 1, 1992,~~ An annual enrollment fee of \$25, not to exceed \$150 per family, is required from eligible persons for covered health services ~~all enrollees eligible under section 256.9354, subdivision 1.~~

Sec. 6. Minnesota Statutes 1992, section 256.9356, subdivision 2, is amended to read:

Subd. 2. [PREMIUM PAYMENTS.] ~~Beginning October 1, 1992,~~ The commissioner shall require health right plan *MinnesotaCare* enrollees to pay a premium based on a sliding scale, as established under section 256.9357 256.9358. Applicants who are eligible under section 256.9354, subdivision 1, are exempt from this requirement. ~~until July 1, 1993, if the application is received by the health right plan staff on or before September 30, 1992. Before July 1, 1993,~~ These individuals shall continue to pay the annual enrollment fee required by subdivision 1.

Sec. 7. Minnesota Statutes 1992, section 256.9357, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] Families and individuals who enroll on or after October 1, 1992, are eligible for subsidized premium payments based on a sliding scale under section 256.9358 only if the family or individual meets the requirements in subdivisions 2 and 3. ~~Children already enrolled in the health right plan as of September 30, 1992, are eligible for subsidized premium payments without meeting these requirements, as long as they maintain continuous coverage in the health right plan or medical assistance.~~

Families and individuals who initially enrolled in the health right *MinnesotaCare* plan under section 256.9354, and whose income increases above the limits established in section 256.9358, may continue enrollment and pay the full cost of coverage.

Sec. 8. [256.9362] [PROVIDER PAYMENT.]

*Subdivision 1. [MEDICAL ASSISTANCE RATE TO BE USED.] Payment to providers under sections 256.9351 to 256.9362 shall be at the same rates and conditions established for medical assistance, except as provided in subdivisions 2 to 6.*

*Subd. 2. [PAYMENT OF CERTAIN PROVIDERS.] Services provided by federally qualified health centers, rural health clinics, and facilities of the Indian health service shall be paid for according to the same rates and conditions applicable to the same service provided by providers that are not federally qualified health centers, rural health clinics, or facilities of the Indian health service.*

*Subd. 3. [INPATIENT HOSPITAL SERVICES.] Inpatient hospital services provided under section 256.9353, subdivision 3, shall be paid for as provided in subdivisions 4 to 6.*

*Subd. 4. [DEFINITION OF MEDICAL ASSISTANCE RATE FOR INPATIENT HOSPITAL SERVICES.] The "medical assistance rate," as used in this section to apply to rates for providing inpatient hospital services, means the rates established under sections 256.9685 to 256.9695 for providing inpatient hospital services to medical assistance recipients who receive aid to families with dependent children.*

*Subd. 5. [ENROLLEES YOUNGER THAN 18.] Payment for inpatient hospital services provided to MinnesotaCare enrollees who are younger than 18 years old on the date of admission to the inpatient hospital shall be at the medical assistance rate.*

*Subd. 6. [ENROLLEES 18 OR OLDER.] Payment by the MinnesotaCare program for inpatient hospital services provided to MinnesotaCare enrollees who are 18 years old or older on the date of admission to the inpatient hospital must be in accordance with paragraphs (a) and (b).*

*(a) If the medical assistance rate is less than or equal to the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the medical assistance rate minus any copayment required under section 256.9353, subdivision 6. The hospital must not seek payment from the enrollee in addition to the copayment. The MinnesotaCare payment plus the copayment must be treated as payment in full.*

*(b) If the medical assistance rate is greater than the amount remaining in the enrollee's benefit limit under section 256.9353, subdivision 3, payment must be the lesser of:*

*(1) the amount remaining in the enrollee's benefit limit; or*

*(2) the greater of:*

*(i) the medical assistance rate minus any copayment under section 256.9353, subdivision 6; or*

*(ii) charges submitted for the inpatient hospital services less any copayment established under section 256.9353, subdivision 6.*

*The hospital may seek payment from the enrollee for the amount by which usual and customary charges exceed the payment under this paragraph.*

Sec. 9. Minnesota Statutes 1992, section 256B.057, subdivision 1, is amended to read:

Subdivision 1. [PREGNANT WOMEN AND INFANTS.] An infant less than ~~one year~~ 18 months of age or a pregnant woman who has written verification of a positive pregnancy test from a physician or licensed registered nurse, is eligible for medical assistance if countable family income is equal to or less than 185 275 percent of the federal poverty guideline for the same family size. Eligibility for a pregnant woman or infant less than ~~one year of age~~ 18 months old under this subdivision must be determined without regard to asset standards established in section 256B.056, subdivision 3.

An infant born on or after January 1, 1991, to a woman who was eligible for and receiving medical assistance on the date of the child's birth shall continue to be eligible for medical assistance without redetermination until the ~~child's first birthday~~ child is 18 months of age, as long as the child remains in the woman's household.

*Women and infants who are eligible under this subdivision and whose countable family income is equal to or greater than 185 percent of the federal poverty guideline for the same family size shall be required to pay a premium for medical assistance coverage based on a sliding scale as established under section 256.9358.*

Sec. 10. [DEMONSTRATION WAIVER.]

*The commissioner of human services shall seek a demonstration waiver to allow the state to charge the premium as described in section 5.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective July 1, 1993. Section 10 is effective July 1, 1993, or after the effective date of the waiver referred to in section 6, whichever is later.*

## ARTICLE 11

### RURAL HEALTH INITIATIVE

Section 1. Minnesota Statutes 1992, section 144.1484, subdivision 1, is amended to read:

Subdivision 1. [SOLE COMMUNITY HOSPITAL FINANCIAL ASSISTANCE GRANTS.] The commissioner of health shall award financial assistance grants to rural hospitals in isolated areas of the state. To qualify for a grant, a hospital must: (1) be eligible to be classified as a sole community hospital according to the criteria in Code of Federal Regulations, title 42, section 412.92 or be located in a community with a population of less than 5,000 and located more than 25 miles from a like hospital currently providing acute short-term services; (2) have experienced net income losses in the two most recent consecutive hospital fiscal years for which audited financial information is available; (3) consist of 30 40 or fewer licensed beds; and (4) ~~have exhausted local sources of support. Before applying for a grant, the hospital must have developed a strategic plan. The commissioner shall award grants in equal amounts demonstrate to the commissioner that it has obtained local support for the hospital, and that any state support awarded under this program will not be used to supplant local support for the hospital. The commissioner shall review audited financial statements of the hospital to~~

*assess the extent of local support. Evidence of local support may include bonds issued by a local government entity such as a city, county, or hospital district for the purpose of financing hospital projects; and loans, grants, or donations to the hospital from local government entities, private organizations, or individuals. The commissioner shall determine the amount of the award to be given to each eligible hospital, based on the hospital's financial need and the total amount of funding available.*

Sec. 2. Minnesota Statutes 1992, section 144.1484, subdivision 2, is amended to read:

**Subd. 2. [GRANTS TO AT-RISK RURAL HOSPITALS TO OFFSET THE IMPACT OF THE HOSPITAL TAX.]** (a) The commissioner of health shall award financial assistance grants to rural hospitals that would otherwise close as a direct result of the hospital tax in section 295.52. To be eligible for a grant, a hospital must have 50 or fewer beds and must not be located in a city of the first class. To receive a grant, the hospital must demonstrate to the satisfaction of the commissioner of health that the hospital will close in the absence of state assistance under this subdivision and that the hospital tax is the principal reason for the closure.

*(b) At a minimum the hospital must demonstrate that:*

*(1) it has had a net margin of minus ten percent or below in at least one of the last two years or a net margin of less than zero percent in at least three of the last four years. For purposes of this subdivision, "net margin" means the ratio of net income from all hospital sources to total revenues generated by the hospital;*

*(2) it has had a negative cash flow in at least three of the last four years. For purposes of this subdivision, "cash flow" means the total of net income plus depreciation; and*

*(3) its fund balance has declined by at least 25 percent over the last two years, and its fund balance at the end of its last fiscal year was equal to or less than its accumulated net loss during the last two years. For purposes of this subdivision, "fund balance" means the excess of assets of the hospital's fund over its liabilities and reserves.*

*(c) A hospital seeking a grant shall submit the following with its application:*

*(1) a statement of the projected dollar amount of tax liability for the current fiscal year, projected monthly disbursements, and projected net patient revenue base for the current fiscal year, broken down by payor categories including Medicare, medical assistance, MinnesotaCare, general assistance medical care, and others. The figures must be certified by the hospital administrator;*

*(2) a statement of all rate increases, listing the date and percentage of each increase during the last three years and the date and percentage of any increases for the current fiscal year. The statement must be certified by the hospital administrator and must include a narrative explaining whether or not the rate increase incorporates a pass through of the hospital tax;*

*(3) a statement certified by the chair or equivalent of the hospital board, and by an independent auditor, that the hospital will close within the next 12 months as a result of the hospital tax unless it receives a grant; and*

(4) a statement certified by the chair or equivalent of the hospital board that the hospital will not close for financial reasons within the next 12 months if it receives a grant.

The amount of the grant must not exceed the amount of the tax the hospital would pay under section 295.52, based on the previous year's hospital revenues. A hospital that closes within 12 months after receiving a grant under this subdivision must refund the amount of the grant to the commissioner of health.

## ARTICLE 12

### HEALTH PROFESSIONAL EDUCATION

Section 1. Minnesota Statutes 1992, section 136A.1355, subdivision 1, is amended to read:

Subdivision 1. [CREATION OF ACCOUNT.] A rural physician education account is established in the health care access fund. The higher education coordinating board shall use money from the account to establish a loan forgiveness program for medical students agreeing to practice in designated rural areas, as defined by the board.

Sec. 2. Minnesota Statutes 1992, section 136A.1355, subdivision 3, is amended to read:

Subd. 3. [LOAN FORGIVENESS.] ~~Prior to June 30, 1992, the higher education coordinating board may accept up to eight applicants who are fourth year medical students, up to eight applicants who are first year residents, and up to eight applicants who are second year residents for participation in the loan forgiveness program.~~ For the period July 1, 1992 1993 through June 30, 1995, the higher education coordinating board may accept up to eight ~~four~~ applicants who are fourth year medical students, ~~three applicants who are pediatric residents, and four applicants who are family practice residents, and one applicant who is an internal medicine resident,~~ per fiscal year for participation in the loan forgiveness program. ~~If the higher education coordinating board does not receive enough applicants per fiscal year to fill the number of residents in the specific areas of practice, the resident applicants may be from any area of practice. The eight resident applicants can be in any year of training.~~ Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed \$10,000, as a qualified loan. For each year that a participant serves as a physician in a designated rural area, up to a maximum of four years, the higher education coordinating board shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated rural area to another remain eligible for loan repayment. In addition, if a resident participating in the loan forgiveness program serves at least four weeks during a year of residency substituting for a rural physician to temporarily relieve the rural physician of rural practice commitments to enable the rural physician to take a vacation, engage in activities outside the practice area, or otherwise be relieved of rural practice commitments, the participating resident may designate up to an additional \$2,000, above the \$10,000 maximum, for each year of residency during which the resident substitutes for a rural physician for four or more weeks.

Sec. 3. Minnesota Statutes 1992, section 136A.1355, subdivision 4, is amended to read:

Subd. 4. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the required three-year minimum commitment of service in a designated rural area, the higher education coordinating board shall collect from the participant the amount paid by the board under the loan forgiveness program. The higher education coordinating board shall deposit the money collected in the rural physician education account *established in subdivision 1*. The board shall allow waivers of all or part of the money owed the board if emergency circumstances prevented fulfillment of the three-year service commitment.

Sec. 4. Minnesota Statutes 1992, section 136A.1355, is amended by adding a subdivision to read:

Subd. 5. [LOAN FORGIVENESS; UNDERSERVED URBAN COMMUNITIES.] *For the period July 1, 1993 to June 30, 1995, the higher education coordinating board may accept up to four applicants who are either fourth year medical students, or residents in family practice, pediatrics, or internal medicine per fiscal year for participation in the urban primary care physician loan forgiveness program. The resident applicants may be in any year of residency training. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed \$10,000, as a qualified loan. For each year that a participant serves as a physician in a designated underserved urban area, up to a maximum of four years, the higher education coordinating board shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated underserved urban community to another remain eligible for loan repayment.*

Sec. 5. Minnesota Statutes 1992, section 136A.1356, subdivision 2, is amended to read:

Subd. 2. [CREATION OF ACCOUNT.] A midlevel practitioner education account is established *in the health care access fund*. The higher education coordinating board shall use money from the account to establish a loan forgiveness program for midlevel practitioners agreeing to practice in designated rural areas.

Sec. 6. Minnesota Statutes 1992, section 136A.1356, subdivision 5, is amended to read:

Subd. 5. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment required under subdivision 4 for full repayment of all qualified loans, the higher education coordinating board shall collect from the participant 100 percent of any payments made for qualified loans and interest at a rate established according to section 270.75. The higher education coordinating board shall deposit the money collected in the midlevel practitioner education account *established in subdivision 2*. The board shall allow waivers of all or part of the money owed the board if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 7. Minnesota Statutes 1992, section 136A.1357, subdivision 1, is amended to read:



Subdivision 1. [CREATION OF THE ACCOUNT.] An education account in the *general health care access* fund is established for a loan forgiveness program for nurses who agree to practice nursing in a nursing home. The account consists of money appropriated by the legislature and repayments and penalties collected under subdivision 4. Money from the account must be used for a loan forgiveness program.

Sec. 8. Minnesota Statutes 1992, section 136A.1357, subdivision 4, is amended to read:

Subd. 4. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment required under subdivision 3 for full repayment of all qualified loans, the ~~commissioner~~ *higher education coordinating board* shall collect from the participant 100 percent of any payments made for qualified loans and interest at a rate established according to section 270.75. The board shall deposit the collections in the *general health care access* fund to be credited to the account established in subdivision 1. The board may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Sec. 9. Minnesota Statutes 1992, section 137.38, subdivision 2, is amended to read:

Subd. 2. [PRIMARY CARE.] For purposes of sections 137.38 to 137.40, "primary care" means a type of medical care delivery that assumes ongoing responsibility for the patient in both health maintenance and illness treatment. It is personal care involving a unique interaction and communication between the patient and the physician. It is comprehensive in scope, and includes all the overall coordination of the care of the patient's health care problems including biological, behavioral, and social problems. The appropriate use of consultants and community resources is an important aspect of effective primary care. *Primary care physicians include family practitioners, pediatricians, and internists.*

Sec. 10. Minnesota Statutes 1992, section 137.38, subdivision 3, is amended to read:

Subd. 3. [GOALS.] The board of regents of the University of Minnesota, through the University of Minnesota medical school, is requested to implement the initiatives required by sections 137.38 to 137.40 in order to increase the number of graduates of residency programs of the medical school who practice primary care by 20 percent over an eight-year period. The initiatives must be designed to encourage newly graduated primary care physicians to establish practices in areas of rural and urban Minnesota that are medically underserved.

Sec. 11. Minnesota Statutes 1992, section 137.38, subdivision 4, is amended to read:

Subd. 4. [GRANTS.] The board of regents is requested to seek grants from private foundations and other nonstate sources, *including community provider organizations*, for the medical school initiatives outlined in sections 137.38 to 137.40.

Sec. 12. Minnesota Statutes 1992, section 137.39, subdivision 2, is amended to read:

Subd. 2. [DESIGN OF CURRICULUM.] The medical school is requested to ensure that its curriculum provides students with early exposure to primary care physicians and primary care practice, *and to address other primary care curriculum issues such as public health, preventive medicine, and health care delivery.* The medical school is requested to also support premedical school educational initiatives that provide students with greater exposure to primary care physicians and practices.

Sec. 13. Minnesota Statutes 1992, section 137.39, subdivision 3, is amended to read:

Subd. 3. [CLINICAL EXPERIENCES IN PRIMARY CARE.] The medical school, ~~in consultation with medical school faculty at the University of Minnesota, Duluth,~~ is requested to develop a program to provide students with clinical experiences in primary care settings in internal medicine and pediatrics. The program must provide training experiences in medical clinics in rural Minnesota communities, as well as in community clinics and health maintenance organizations in the Twin Cities metropolitan area.

Sec. 14. Minnesota Statutes 1992, section 137.40, subdivision 3, is amended to read:

Subd. 3. [CONTINUING MEDICAL EDUCATION.] The medical school is requested to develop continuing medical education programs for primary care physicians that are comprehensive, community-based, ~~and~~ accessible to primary care physicians in all areas of the state, *and which enhance primary care skills.*

Sec. 15. [137.41] [FAMILY AND PEDIATRIC NURSE PRACTITIONER PROGRAM.]

*Subdivision 1. [CONDITION.] If the board of regents accepts the funding appropriated for this section, it shall comply with the duties for which the appropriations are made.*

*Subd. 2. The board of regents, through the school of nursing, is requested to establish a two-year family and pediatric nurse practitioner program that awards a master of science degree with a major in nursing. The school of nursing may accept up to eight pediatric nurse practitioner students and eight family nurse practitioner students each year. The school of nursing is requested to include as a program component clinical practica with faculty and nurse or physician preceptors at the University of Minnesota or affiliated clinics throughout the state. The practica must include assessment, treatment, and referral of common health problems encountered in primary care. The program must also allow students to study the role of nurse practitioners as they collaborate with physicians and other members of the health care team, and provide sufficient hours of supervised clinical practice to qualify students to sit for certification exams.*

## ARTICLE 13

### DATA RESEARCH INITIATIVES

Section 1. Minnesota Statutes 1992, section 62J.30, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of sections 62J.30 to 62J.34, the following definitions apply:

(a) "Practice parameter" means a statement intended to guide the clinical decision making of health care providers and patients that is supported by the results of appropriately designed outcomes research studies, ~~including those studies sponsored or that has been approved by the federal agency for health care policy and research, or has been adopted for use by a national medical society, national medical specialty society, or a nationally recognized health care related society.~~

(b) "Outcomes research" means research designed to identify and analyze the outcomes and costs of alternative interventions for a given clinical condition, in order to determine the most appropriate and cost-effective means to prevent, diagnose, treat, or manage the condition, or in order to develop and test methods for reducing inappropriate or unnecessary variations in the type and frequency of interventions.

Sec. 2. Minnesota Statutes 1992, section 62J.30, subdivision 6, is amended to read:

Subd. 6. [DATA COLLECTION PROCEDURES.] The health care analysis unit shall collect data from health care providers, health carriers, and individuals in the most cost-effective manner, which does not unduly burden providers ~~them~~. The unit may require health care providers and health carriers to collect and provide *all* patient health records ~~and claim files, provide mailing lists of patients who have consented to release of data, and cooperate in other ways with the data collection process.~~ For purposes of this chapter, the health care analysis unit shall assign, or require health care providers and health carriers to assign, a unique identification number to each patient to safeguard patient identity. ~~The unit may also require health care providers and health carriers to provide mailing lists of patients who have consented to release of data. The commissioner shall require all health care providers, group purchasers, and state agencies to use a standard patient identifier from which the patient cannot be identified and a standard identifier for providers and health plans when reporting data under this chapter. Patient identifiers must be coded to enable release of otherwise private data to researchers, providers, and group purchasers in a manner consistent with chapter 13 and section 144.335.~~

Sec. 3. Minnesota Statutes 1992, section 62J.30, subdivision 7, is amended to read:

Subd. 7. [DATA CLASSIFICATION.] (a) Data collected through the large-scale data base initiatives of the health care analysis unit required by section 62J.31 that identify individuals are private data on individuals. Data not on individuals are nonpublic data. The commissioner may release private data on individuals and nonpublic data to researchers affiliated with university research centers or departments who are conducting research on health outcomes, practice parameters, and medical practice style; researchers working under contract with the commissioner; and individuals purchasing health care services for health carriers and groups. ~~Prior to releasing any nonpublic or private data under this paragraph that identify or relate to a specific health carrier, medical provider, or health care facility, the commissioner shall provide at least 30 days' notice to the subject of the data, including a copy of the relevant data, and allow the subject of the data to provide a brief explanation or comment on the data which must be released with the data. The commissioner shall require any person or organization receiving under this subdivision either private data on individuals or nonpublic data to sign an~~

*agreement to maintain the data that it receives according to the statutory provisions applicable to the data. The agreement shall not limit the preparation and dissemination of summary data as permitted under section 13.05, subdivision 7. To the extent reasonably possible, release of private or confidential data under this chapter shall be made without releasing data that could reveal the identity of individuals and should instead be released using the identification numbers required by subdivision 6.*

(b) Summary data derived from data collected through the large-scale data base initiatives of the health care analysis unit may be provided under section 13.05, subdivision 7, and may be released in studies produced by the commissioner.

(c) The commissioner shall adopt rules to establish criteria and procedures to govern access to and the use of data collected through the initiatives of the health care analysis unit.

Sec. 4. Minnesota Statutes 1992, section 62J.30, subdivision 8, is amended to read:

Subd. 8. [~~DATA COLLECTION ADVISORY COMMITTEE PANEL.~~] The commissioner shall *may* convene a ~~15-member~~ data collection advisory committee consisting of health service researchers, health care providers, health carrier representatives, ~~representatives of businesses that purchase health coverage, and consumers. Six members of this committee must be health care providers.~~ The advisory committee shall *panel as needed* to evaluate methods of data collection and shall recommend to the commissioner methods of data collection that minimize administrative burdens, address data privacy concerns, and meet the needs of health service researchers. The advisory ~~committee panel~~ is governed by section ~~15.059~~ 15.014.

Sec. 5. Minnesota Statutes 1992, section 62J.32, subdivision 4, is amended to read:

Subd. 4. [~~PRACTICE PARAMETER ADVISORY COMMITTEE PANEL.~~] The commissioner shall *may* convene a ~~15-member~~ practice parameter advisory committee comprised of ~~eight health care professionals, and representatives of the research community and the medical technology industry.~~ The committee shall *present panel as needed to make recommendations* on the adoption of practice parameters to the commissioner and the Minnesota health care commission and provide technical assistance as needed to the commissioner and the commission. ~~The advisory committee is governed by section 15.059, but does not expire. The advisory panel is governed by section 15.014.~~

Sec. 6. Minnesota Statutes 1992, section 62J.34, subdivision 2, is amended to read:

Subd. 2. [APPROVAL.] The commissioner of health, after receiving the advice and recommendations of the Minnesota health care commission, may approve practice parameters that are endorsed, developed, or revised by the health care analysis unit. The commissioner is exempt from the rulemaking requirements of chapter 14 when approving practice parameters approved by the federal agency for health care policy and research, practice parameters adopted for use by a national medical society, ~~or a national medical specialty society, or a nationally recognized health care related society.~~ The commissioner shall use rulemaking to approve practice parameters that are newly

developed or substantially revised by the health care analysis unit. Practice parameters adopted without rulemaking must be published in the State Register.

Sec. 7. Minnesota Statutes 1992, section 144.335, is amended by adding a subdivision to read:

*Subd. 3b. [RELEASE OF RECORDS TO COMMISSIONER OF HEALTH OR DATA INSTITUTE.] Subdivision 3a does not apply to the release of health records to the commissioner of health or the data institute under chapter 62J, provided that the data are not in individually identifiable form.*

Sec. 8. Minnesota Statutes 1992, section 214.16, subdivision 3, is amended to read:

Subd. 3. [GROUNDS FOR DISCIPLINARY ACTION.] The board shall take disciplinary action, *which may include license revocation*, against a regulated person for:

(1) *intentional failure to provide the commissioner of health or the health care analysis unit established under section 62J.30 with the data on gross patient revenue as required under section 62J.04 chapter 62J;*

(2) *failure to provide the health care analysis unit with data as required under Laws 1992, chapter 549, article 7;*

~~(3)~~ *intentional failure to provide the commissioner of revenue with data on gross revenue and other information required for the commissioner to implement sections 295.50 to 295.58; and*

~~(4)~~ *(3) intentional failure to pay the health care provider tax required under section 295.52.*

## ARTICLE 14

### FINANCING

Section 1. Minnesota Statutes 1992, section 295.50, subdivision 3, is amended to read:

Subd. 3. [GROSS REVENUES.] ~~(a)~~ "Gross revenues" are total amounts received in money or otherwise by:

(1) a resident hospital for ~~inpatient or outpatient patient services as defined in Minnesota Rules, part 4650.0102, subparts 21 and 29;~~

*(1a) a resident surgical center for patient services;*

(2) a nonresident hospital for ~~inpatient or outpatient patient services as defined in Minnesota Rules, part 4650.0102, subparts 21 and 29,~~ provided to patients domiciled in Minnesota;

*(2a) a nonresident surgical center for patient services provided to patients domiciled in Minnesota;*

(3) a resident health care provider, other than a health maintenance organization, for ~~covered patient services listed in section 256B.0625;~~

(4) a nonresident health care provider for ~~covered patient services listed in section 256B.0625~~ provided to an individual domiciled in Minnesota;

(5) a wholesale drug distributor for sale or distribution of prescription drugs that are delivered in Minnesota by the distributor or a common carrier, unless the prescription drugs are delivered to another wholesale drug distributor. *Prescription drugs do not include nutritional products as defined in Minnesota Rules, part 9505.0325; and*

(6) a health maintenance organization as gross premiums for enrollees, carrier copayments, and fees for covered patient services listed in section 256B.0625.

~~(b) Gross revenues do not include governmental, foundation, or other grants or donations to a hospital or health care provider for operating or other costs.~~

Sec. 2. Minnesota Statutes 1992, section 295.50, subdivision 4, is amended to read:

Subd. 4. [HEALTH CARE PROVIDER.] (a) "Health care provider" is a vendor of medical care qualifying for reimbursement under the medical assistance program provided under chapter 256B, and includes health maintenance organizations but excludes hospitals and pharmacies means:

(1) a person furnishing any or all of the following goods or services to a patient or consumer: medical, surgical, optical, visual, dental, hearing, nursing services, drugs, medical supplies, medical appliances, laboratory, diagnostic or therapeutic services, or any service not listed above that qualifies for reimbursement under the medical assistance program provided under chapter 256B;

(2) a health maintenance organization;

(3) an integrated service network; or

(4) a licensed ambulance service.

(b) Health care provider does not include hospitals, nursing homes licensed under chapter 144A, surgical centers, and pharmacies as defined in section 151.01.

Sec. 3. Minnesota Statutes 1992, section 295.50, subdivision 7, is amended to read:

Subd. 7. [HOSPITAL.] "Hospital" is means a hospital licensed under chapter 144, or a hospital providing inpatient or outpatient services licensed by any other state or province or territory of Canada or a surgical center.

Sec. 4. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

Subd. 9a. [PATIENT SERVICES.] "Patient services" means inpatient and outpatient services including the following health care items and services:

(1) bed and board;

(2) nursing services and other related services;

(3) use of hospital, surgical centers, or health care provider facilities;

(4) medical social services;

(5) drugs, biologicals, supplies, appliances, and equipment;

- (6) *other diagnostic or therapeutic items or services;*
- (7) *medical or surgical services;*
- (8) *items and services furnished to ambulatory patients not requiring emergency care;*
- (9) *emergency services; and*
- (10) *covered services listed in section 256B.0625 and in Minnesota Rules, parts 9505.0170 to 9505.0475.*

Sec. 5. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

*Subd. 9b. [PERSON.] "Person" means an individual, partnership, limited liability company, corporation, association, governmental unit or agency, or public or private organization of any kind.*

Sec. 6. Minnesota Statutes 1992, section 295.50, is amended by adding a subdivision to read:

*Subd. 10a. [REGIONAL TREATMENT CENTER.] "Regional treatment center" means a regional center as defined in section 253B.02, subdivision 18, and named in sections 252.025, subdivision 1; 253.015, subdivision 1; 253.201; and 254.05.*

Sec. 7. Minnesota Statutes 1992, section 295.51, subdivision 1, is amended to read:

Subdivision 1. [BUSINESS TRANSACTIONS IN MINNESOTA.] A hospital, *surgical center*, or health care provider is subject to tax under sections 295.50 to 295.58 if it is "transacting business in Minnesota." A hospital, *surgical center*, or health care provider is transacting business in Minnesota only if it:

(1) maintains an office in Minnesota *used in the trade or business of providing patient services;*

(2) has employees, representatives, or independent contractors conducting business in Minnesota *related to the trade or business of providing patient services;*

(3) regularly ~~sells covered~~ *provides patient services* to customers that receive the ~~covered~~ services in Minnesota;

(4) regularly solicits business from potential customers in Minnesota. A hospital, *surgical center*, or health care provider is presumed to regularly solicit business within Minnesota if it receives gross receipts for patient services from 20 or more patients domiciled in Minnesota in a calendar year;

(5) regularly performs services outside Minnesota the benefits of which are consumed in Minnesota;

(6) owns or leases tangible personal or real property physically located in Minnesota and used in the trade or business of providing patient services; or

(7) receives medical assistance payments from the state of Minnesota.

Sec. 8. Minnesota Statutes 1992, section 295.52, is amended by adding a subdivision to read:

*Subd. 1a. [SURGICAL CENTER TAX.] A tax is imposed on each surgical center equal to two percent of its gross revenues.*

Sec. 9. Minnesota Statutes 1992, section 295.52, is amended by adding a subdivision to read:

*Subd. 5. [REGIONAL TREATMENT CENTERS.] Regional treatment centers are not subject to tax under this section.*

Sec. 10. Minnesota Statutes 1992, section 295.53, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTIONS.] The following payments are excluded from the gross revenues subject to the hospital, surgical center, or health care provider taxes under sections 295.50 to 295.57:

(1) payments received ~~from the federal government~~ for services provided under the Medicare program, ~~excluding~~ *including* payments received from the government, and Medicare coordinated health plans, and enrollee ~~deductible deductibles, coinsurance, and coinsurance payments~~ *copayments*. Payments representing supplemental coverage are not excluded;

(2) medical assistance payments *including* payments received directly from the government or from a prepaid plan;

(3) payments received for services ~~performed by nursing homes licensed under chapter 144A, services provided in supervised living facilities and home health care services;~~

(4) payments received from hospitals or surgical centers for goods and services that are subject to tax under section 295.52;

(5) payments received from health care providers for goods and services that are subject to tax under section 295.52;

(6) amounts paid for prescription drugs, *other than nutritional products*, to a wholesale drug distributor reduced by reimbursements received for prescription drugs under clauses (1), (2), (7), and (8);

(7) payments received under the general assistance medical care program *including* payments received directly from the government or from a prepaid plan;

(8) payments received for providing services under the ~~health right MinnesotaCare program under Laws 1992, chapter 549, article 4~~ *including* payments received directly from the government or from a prepaid plan; ~~and~~

(9) payments received by a resident health care provider or the wholly owned subsidiary of a resident health care provider for care provided outside Minnesota to a patient who is not domiciled in Minnesota;

(10) payments received from the chemical dependency fund under chapter 254B;

(11) payments received in the nature of charitable donations that are not designated for providing patient services to a specific individual or group; *and*

(12) payments received for providing patient services if the services are incidental to conducting medical research.



Sec. 11. Minnesota Statutes 1992, section 295.55, subdivision 4, is amended to read:

Subd. 4. [ELECTRONIC FUNDS TRANSFER PAYMENTS.] A taxpayer with an aggregate tax liability of ~~\$60,000~~ \$30,000 or more during a calendar quarter ending the last day of March, June, September, or December of the first year the taxpayer is subject to the tax must thereafter remit all liabilities by means of a funds transfer as defined in section 336.4A-104, paragraph (a), for the remainder of the year. A taxpayer with an aggregate tax liability of \$120,000 or more during a calendar year, must remit all liabilities by means of a funds transfer as defined in section 336.4A-104, paragraph (a), in the subsequent calendar year. The funds transfer payment date, as defined in section 336.4A-401, is on or before the date the tax is due. If the date the tax is due is not a funds-transfer business day, as defined in section 336.4A-105, paragraph (a), clause (4), the payment date is on or before the first funds-transfer business day after the date the tax is due.

Sec. 12. Minnesota Statutes 1992, section 295.58, is amended to read:

295.58 [DEPOSIT OF REVENUES AND PAYMENT OF REFUNDS.]

The commissioner shall deposit all revenues, including penalties and interest, derived from the taxes imposed by sections 295.50 to 295.57 and from the insurance premiums tax on health maintenance organizations and nonprofit health service corporations in the health care access fund in the state treasury. Refunds of overpayments must be paid from the health care access fund in the state treasury.

Sec. 13. [295.582] [AUTHORITY.]

A hospital, health care provider, or surgical center that is subject to a tax under section 295.52 may transfer additional expenses generated by section 295.52 obligations on to third party contracts regulated under chapter 60A, 62A, 62C, 62D, 62H, or 64B for the purchase of health care services on behalf of a patient or consumer. The expense must not exceed two percent of the gross revenues received under the third party contract, including copayments and deductibles paid by the individual patient or consumer. The expense must not be generated on revenues derived from payments that are excluded from the tax under section 295.53. Such third party purchasers must pay the transferred expense in addition to any payments due under existing or future contracts with the hospital, health care provider, or surgical center. Nothing in this subdivision limits the ability of a hospital, health care provider, or surgical center to recover all or part of the section 295.52 obligation by other methods, including increasing fees or charges.

Sec. 14. Minnesota Statutes 1992, section 295.59, is amended to read:

295.59 [SEVERABILITY.]

If any section, subdivision, clause, or phrase of sections 295.50 to 295.58 295.582 is for any reason held to be unconstitutional or in violation of federal law, the decision shall not affect the validity of the remaining portions of sections 295.50 to 295.58 295.582. The legislature declares that it would have passed sections 295.50 to 295.58 295.582 and each section, subdivision, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subdivisions, sentences, clauses, or phrases is declared unconstitutional.

## Sec. 15. [APPROPRIATION.]

*Notwithstanding Laws 1992, chapter 549, article 10, section 1, subdivision 1, the amount appropriated to the commissioner of revenue in Laws 1992, subdivision 8 of that section is available until June 30, 1994.*

## Sec. 16. [REPEALER.]

*Minnesota Statutes 1992, section 295.50, subdivision 10, is repealed.*

*Minnesota Statutes 1992, section 295.51, subdivision 2, is repealed.*

*Laws 1992, chapter 549, article 9, section 19, subdivision 2, is repealed.*

## Sec. 17. [EFFECTIVE DATES.]

*Sections 1; 3; 4, clauses (1) to (9); 6 to 10; and 12 are effective retroactively to gross revenues generated by services performed and goods sold after December 31, 1992.*

*Sections 4, clause (10), and 11 are effective for services performed and goods sold after December 31, 1993.*

*Sections 2, 5, 13, 14, and 15 are effective the day following final enactment.*

## ARTICLE 15

## APPROPRIATIONS

## Section 1. [APPROPRIATION.]

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for adopting rules under this act for the biennium ending June 30, 1995.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for the biennium ending June 30, 1995, to implement the data collection initiatives required by sections 62J.36 to 62J.44.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health to implement and monitor the voluntary cost control program in article 4, to be available until June 30, 1995.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for statewide consumer education and wellness programs.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for initiatives to improve birth outcomes, including smoking cessation methods, chlamydia screening efforts, and expanding funding for the women's, infant, and children program.*

*\$. . . . . is appropriated from the special account for disease prevention and health promotion in the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for improved childhood immunization, including promoting providers' adherence to pediatric immunization standards, outreach, tracking, and follow-up activities.*

*§..... is appropriated from the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for operation of the integrated service network technical assistance program provided under article 1.*

*§..... is appropriated from the health care access fund to the commissioner of health for the biennium ending July 1, 1995, for operation of the integrated service network loan program provided under article 1.*

*§..... is appropriated from the health care access fund to the commissioner of health for the biennium ending June 30, 1995, to establish and administer a financial data collection program on ambulance services under article 11.*

*§..... is appropriated from the health care access fund to the board of regents of the University of Minnesota for the biennium ending June 30, 1995, to develop and administer a family and pediatric nurse practitioner program under article 12.*

*§..... is appropriated from the health care access fund to the regional coordinating boards for the biennium ending July 1, 1995, for the purposes of Minnesota Statutes, section 62J.09, subdivision 1a."*

Delete the title and insert:

"A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 62A.021, subdivision 1; 62A.65; 62C.16, by adding a subdivision; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 137; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1054: A bill for an act relating to state departments and agencies; providing for reports on advisory task forces committees and councils; providing for their expirations; eliminating certain advisory bodies; amending Minnesota Statutes 1992, sections 6.65; 15.059, subdivision 5, and by adding a subdivision; 16B.39, subdivision 1a; 41A.02, subdivision 1; 41A.04, subdivisions 2 and 4; 116J.975; 125.188, subdivision 3; 125.1885, subdivision 3; 129D.16; 148.235, subdivision 2; 246.017, subdivision 2; 246.56, subdivision 2; 256B.0629, subdivision 4; and 256B.433, subdivision 1; 299F.093, subdivision 1; repealing Minnesota Statutes 1992, sections 41.54; 41A.07; 43A.31, subdivision 4; 82.30, subdivision 1; 84.524, subdivisions 1 and 2; 85A.02, subdivision 4; 86A.10, subdivision 1; 116J.645; 116J.984, subdivision 11; 116N.05; 120.064, subdivision 6; 121.87; 145.93, subdivision 2; 148B.20, subdivision 2; 152.02, subdivision 11; 175.008; 184.23; 206.57, subdivision 3; 245.476, subdivision 4; 245.4885, subdivision 4; 256.9745; 256B.0629, subdivisions 1, 2, and 3; 256B.433, subdivision 4; 257.072, subdivision 6; 299F.092, subdivision 9; 299F.097; and 626.5592.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete section 2

Page 2, line 28, strike "1993" and insert "1994"

Page 12, after line 2, insert:

"Sec. 17. [REPORT.]

*The appointing authority for each advisory task force, committee, or council created in statute or by a commissioner or agency head under Minnesota Statutes, section 15.014, must submit a one page report to the chair of the committee on governmental operations and gambling of the house of representatives, the chair of the committee on governmental operations and reform of the senate, and the governor by January 15, 1994. The report must list the following information for each group for the most recently completed fiscal year:*

- (1) *the number of meetings;*
- (2) *the estimated expenses for the group;*
- (3) *the estimated number of hours that the host agency staff served the group; and*
- (4) *a summary of the group's activities.*

*If there is more than one appointing authority, the authority that appoints the most members must submit the report."*

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, lines 6 and 7, delete “, and by adding a subdivision”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 965: A bill for an act relating to state department of finance; making technical and substantive changes to provisions of law about the department; amending Minnesota Statutes 1992, sections 16A.011, subdivisions 5, 6, and 14; 16A.04, subdivision 1; 16A.055, subdivision 1; 16A.06, subdivision 4; 16A.065; 16A.10, subdivisions 1 and 2; 16A.105; 16A.11, subdivisions 1, 2, and 3; 16A.128; 16A.129, by adding a subdivision; 16A.15, subdivisions 1, 5, and 6; 16A.152, by adding subdivisions; 16A.1541; 16A.17, subdivision 3; 16A.28; 16A.30; 16A.58; 16A.69, subdivision 2; and 16A.72; proposing coding for new law in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1992, sections 3.3005; 16A.095, subdivision 3; 16A.123; 16A.1281; 16A.35; 16A.45, subdivisions 2 and 3; 16A.80; and 290A.24.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, lines 6, 16, 21, 22, 29, and 36, strike “shall” and insert “*must*”

Page 6, line 14, delete “*shall*” and insert “*must*”

Page 7, line 3, strike “shall” and insert “*must*”

Page 8, lines 3, 4, 5, 18, 21, and 24, delete “*shall*” and insert “*must*”

Page 9, line 12, delete “*shall*” and insert “*must*”

Page 9, lines 16 and 18, delete “*such*” and insert “*the*”

Page 10, lines 34 and 35, delete “, including the Minnesota Historical Society”

Page 11, line 15, delete “*must*” and insert “*shall*”

Page 12, line 10, strike “shall” and insert “*must*”

Page 12, line 14, strike “is empowered to” and insert “*may*”

Page 12, line 15, strike “which” and insert “*that*”

Page 12, line 16, strike “such” and insert “*the*”

Page 15, line 32, strike “shall” and insert “*must*”

Page 16, line 7, strike “heretofore or hereafter made”

Page 16, line 14, delete “Agencies” and insert “*An agency*”

Page 16, line 15, delete “they” and insert “*it*” and delete “*notify*” and insert “*notifies*”

Page 17, lines 2 and 4, delete “are to” and insert “*must*”

Page 18, lines 11 and 27, strike “shall” and insert “*must*”

Page 18, line 32, after "facilities" insert a comma and strike "receipts shall" and insert "must"

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 Agriculture and Rural Development, to which was referred

S.F. No. 879: A bill for an act relating to agriculture; providing for surcharges on registered pesticides; amending Minnesota Statutes 1992, section 18E.03, 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 1992, section 18B.065, is amended by adding a subdivision to read:

*Subd. 2a. [DISPOSAL SITE REQUIREMENT.] The commissioner must designate a place that is available at least every other year for the residents of each county in the state to dispose of unused portions of agricultural pesticides used in the production of food, feed, or fiber crop use.*

Sec. 2. Minnesota Statutes 1992, section 18B.135, subdivision 1, is amended to read:

Subdivision 1. [ACCEPTANCE OF RETURNABLE AGRICULTURAL CONTAINERS.] (a) A person distributing, offering for sale, or selling a ~~pesticide~~ *an agricultural pesticide used for the production of food, feed, or fiber crop use* must accept empty agricultural pesticide containers ~~and the unused portion of pesticide that remains in the original container~~ from a ~~an~~ *agricultural pesticide end user* if:

(1) the agricultural pesticide was purchased after July 1, 1994; and

(2) the empty container is prepared for disposal in accordance with label instructions and is returned to a place within the state at which agricultural pesticides are distributed, offered for sale, or sold; and

~~(3) a place is collection site that is seasonably accessible on multiple days has not been designated in either by the county board or by agreement with other counties for the public to return empty agricultural pesticide containers and the unused portion of pesticide for the purpose of reuse or recycling or following other approved management practices for agricultural pesticide containers in the order of preference established in section 115A.02, paragraph (b), and the county or counties have notified the commissioner of their intentions, in writing, to manage the empty agricultural pesticide containers.~~

(b) This subdivision does not prohibit the use of refillable and reusable pesticide containers.

(c) ~~The legislative water commission must prepare a report and make a recommendation to the legislature on the handling of waste pesticide containers and waste pesticides. If a county or counties designate a collection site as provided in paragraph (a), clause (3), a person who has been notified~~

*by the county or counties of the designated collection site and who sells agricultural pesticides to a pesticide end user must notify purchasers of agricultural pesticides at the time of sale of the date and location designated for disposal of empty containers.*

Sec. 3. Minnesota Statutes 1992, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Aquaculture therapeutics shall be registered and labeled in the same manner as pesticides. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used ~~only~~ for a period of two years following the cancellation of the registration of the pesticide, unless the commissioner determines that the continued use of the pesticide would cause unreasonable adverse effects on the environment, or with the written permission of the commissioner. To use the unregistered pesticide at any time after the two-year period, the pesticide end user must demonstrate to the satisfaction of the commissioner, if requested, that the pesticide has been continuously registered under a different brand name or by a different manufacturer and has similar composition, or, the pesticide end user obtains the written permission of the commissioner.

(d) Each pesticide with a unique United States Environmental Protection Agency pesticide registration number or a unique brand name must be registered with the commissioner.

Sec. 4. Minnesota Statutes 1992, section 18E.03, subdivision 4, is amended to read:

Subd. 4. [FEE THROUGH 1990.] (a) The response and reimbursement fee consists of the ~~surcharges and any adjustments made by the commissioner~~ ~~in this subdivision~~ and shall be collected ~~until March 1, 1991~~ by the commissioner. The amount of the response and reimbursement fee shall be determined and imposed annually by the commissioner as required to satisfy the requirements in subdivision 3. The commissioner shall adjust the amount of the surcharges imposed in proportion to the amount of the surcharges listed in this subdivision.

(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, that is equal to 0.1 percent of sales of the pesticide in the state and sales of pesticides for use in the state during the period April 1, 1990, through December 31, 1990 previous calendar year. The registrant shall determine when and which pesticides are sold or used in this state. The registrant shall secure sufficient sales information of pesticides distributed into this state from distributors and dealers, regardless of distributor location, to make a determination. Sales of pesticides in this state and sales of pesticides for use in this state by

out-of-state distributors are not exempt and must be included in the registrant's annual report, as required under section 18B.26, subdivision 3, paragraph (c), and fees shall be paid by the registrant based upon those reported sales. Sales of pesticides in the state for use outside of the state are exempt from the surcharge in this paragraph if the registrant properly documents the sale location and the distributors.

(c) The commissioner shall impose a ten cents 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 license application of persons licensed under chapters 18B and 18C consisting of:

(1) a ~~\$150~~ \$75 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 ~~\$150~~ \$75 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 \$50 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 \$20 surcharge to be imposed on commercial applicator license application fees under section 18B.33, subdivision 7; and

(5) a \$20 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, political subdivision of the state, the federal government, or an agency of the federal government; and

~~(6) a \$25 surcharge for licensed lawn service applicators under chapter 18B or 18C, to be imposed on license application fees.~~

~~(e) If a person has more than one license for a site, only one surcharge may be imposed to cover all the licenses for the site.~~

~~(f) (e) A \$1,000 fee shall be imposed on each site where pesticides are stored and sold for use outside of the state unless:~~

~~(1) the distributor properly documents that it has less than \$2,000,000 per year in wholesale value of pesticides stored and transferred through the site; or~~

~~(2) the registrant pays the surcharge under paragraph (b) and the registration fee under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for use outside of the state.~~

~~(g) (f) Paragraphs (c) to ~~(f)~~ (e) apply to sales, licenses issued, applications received for licenses, and inspection fees imposed on or after July 1, 1990.~~

Sec. 5. Minnesota Statutes 1992, section 18E.03, subdivision 6, is amended to read:

Subd. 6. [REVENUE SOURCES.] Revenue from the following sources



must be deposited in the state treasury and credited to the agricultural chemical response and reimbursement account:

- (1) the proceeds of the fees imposed by subdivisions 3 and 5 4;
- (2) money recovered by the state for expenses paid with money from the account;
- (3) interest attributable to investment of money in the account; and
- (4) money received by the commissioner 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 account.

Sec. 6. Minnesota Statutes 1992, section 18E.03, subdivision 7, is amended to read:

Subd. 7. [APPROPRIATION AND REIMBURSEMENT.] The amount of the response and reimbursement fee imposed under subdivisions 3 to 5 and 4 is appropriated from the general fund to the agricultural chemical response and reimbursement account to be reimbursed when the fee is collected.

Sec. 7. [REPORT ON AGRICULTURAL PESTICIDE CONTAINERS AND WASTE AGRICULTURAL PESTICIDES.]

*The commissioner shall prepare a report with recommendations to the legislature by January 1, 1995, and a second report by January 1, 1997, on the handling of empty pesticide containers and unused portions of agricultural pesticides used for the production of food, feed, or fiber crop use using the following criteria:*

- (1) the minimization of the disposal of agricultural pesticide containers and waste agricultural pesticides;*
- (2) the collection and recycling of agricultural pesticide containers;*
- (3) the collection and disposal of waste agricultural pesticides; and*
- (4) recommendations for the internalization of the management costs for waste agricultural pesticides and agricultural pesticide containers amongst agricultural pesticide manufacturers, distributors, and retailers.*

Sec. 8. [REPEALER.]

*Minnesota Statutes 1992, section 18E.03, subdivision 5, is repealed."*

Delete the title and insert:

*"A bill for an act relating to agriculture; providing for the continued use of unregistered pesticides; modifying procedures for the return of empty agricultural pesticide containers and unused portions of agricultural pesticides; changing the amounts of the ACCRA surcharges; amending Minnesota Statutes 1992, sections 18B.065, by adding a subdivision; 18B.135, subdivision 1; 18B.26, subdivision 1; and 18E.03, subdivisions 4, 6, and 7; repealing Minnesota Statutes 1992, section 18E.03, subdivision 5."*

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 604: A bill for an act relating to agriculture; making technical changes in eligibility for certain rural finance authority loan programs; amending Minnesota Statutes 1992, sections 41B.03, subdivision 3; and 41C.05, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1992, section 41B.02, is amended by adding a subdivision to read:

*Subd. 1a. [AMORTIZED RESTRUCTURED LOAN.] “Amortized restructured loan” means a loan after it has been modified pursuant to section 41B.04, subdivision 9, paragraph (d).*

Sec. 2. Minnesota Statutes 1992, section 41B.02, subdivision 7, is amended to read:

*Subd. 7. [DEFERRED INTEREST.] “Deferred interest” means that portion of the interest on primary principal and secondary principal the payment of which is deferred for the term of the *deferred restructured loan*. The deferred interest on primary principal may accrue at a different rate from the deferred interest on secondary principal as described in section 41B.04.*

Sec. 3. Minnesota Statutes 1992, section 41B.02, is amended by adding a subdivision to read:

*Subd. 7a. [DEFERRED RESTRUCTURED LOAN.] “Deferred restructured loan” means a loan after it has been modified pursuant to section 41B.04, subdivision 9, paragraph (a).*

Sec. 4. Minnesota Statutes 1992, section 41B.02, subdivision 12, is amended to read:

*Subd. 12. [PRIMARY PRINCIPAL.] “Primary principal” means that portion of the outstanding balance on a loan covered by section 41B.04 that is equal to the current market value of the property secured by the loan or such lesser amount as may be established by the authority by rule.*

Sec. 5. Minnesota Statutes 1992, section 41B.02, subdivision 14, is amended to read:

*Subd. 14. [RESTRUCTURED LOAN.] “Restructured loan” means both a *deferred restructured loan* and an *amortized restructured loan* after it is modified pursuant to section 41B.04.*

Sec. 6. Minnesota Statutes 1992, section 41B.02, subdivision 15, is amended to read:

*Subd. 15. [SECONDARY PRINCIPAL.] “Secondary principal” means that portion of the outstanding balance of a *deferred restructured loan* covered by section 41B.04 that is in excess of the ~~current market value of the property secured by the loan~~ *primary principal.*”*

Page 2, line 9, delete “*provides justification*” and insert “*has either a four year degree in an agricultural program or certification as an adult farm management instructor*”

Page 2, after line 12, insert:

"Sec. 8. Minnesota Statutes 1992, section 41B.04, subdivision 9, is amended to read:

Subd. 9. [RESTRUCTURED LOAN AGREEMENT.] (a) *For a deferred restructured loan, all payments on the primary and secondary principal of the restructured loan, all payments of interest on the secondary principal, and an agreed portion of the interest payable to the eligible agricultural lender on the primary principal must be deferred to the end of the term of the loan.*

(b) ~~A borrower may prepay the restructured loan, with all primary and secondary principal and interest and deferred interest at any time without prepayment penalty.~~

(c) Interest on secondary principal must accrue at a below market interest rate.

(d) (c) At the conclusion of the term of the restructured loan, the borrower owes primary principal, secondary principal, and deferred interest on primary and secondary principal. However, part of this balloon payment may be forgiven following an appraisal by the lender and the authority to determine the current market value of the real estate subject to the mortgage. If the current market value of the land after appraisal is less than the amount of debt owed by the borrower to the lender and authority on this obligation, that portion of the obligation that exceeds the current market value of the real property must be forgiven by the lender and the authority in the following order:

(1) deferred interest on secondary principal;

(2) secondary principal;

(3) deferred interest on primary principal;

(4) primary principal as provided in an agreement between the authority and the lender; and

(5) accrued but not deferred interest on primary principal.

(d) *For an amortized restructured loan, payments must include installments on primary principal and interest on the primary principal. An amortized restructured loan must be amortized over a time period and upon terms to be established by the authority by rule.*

(e) ~~A borrower may prepay the restructured loan, with all primary and secondary principal and interest and deferred interest at any time without prepayment penalty.~~

(f) The authority may not participate in refinancing a restructured loan at the conclusion of the restructured loan.

Sec. 9. Minnesota Statutes 1992, section 41B.04, is amended by adding a subdivision to read:

Subd. 17. [APPLICATION AND ORIGINATION FEE.] *The authority may impose a reasonable nonrefundable application fee for each application and an origination fee for each loan issued under the loan restructuring program. The origination fee is 1.5 percent of the authority's participation interest in the loan and the application fee is \$50. The authority may review the fees annually and make adjustments as necessary. The fees must be deposited in the state treasury and credited to a special account. Money in the account is*

*appropriated to the commissioner for administrative expenses for the loan restructuring program."*

Page 2, line 22, delete everything after "*Minnesota*"

Page 2, line 23, delete everything before the semicolon

Page 2, line 31, delete everything after "*borrower*"

Page 2, line 32, delete everything before the semicolon

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "41B.02, subdivisions 7, 12, 14, 15, and by adding subdivisions;"

Page 1, line 5, after the semicolon, insert "41B.04, subdivision 9, 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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 711: A bill for an act relating to the city of Inver Grove Heights; authorizing the extension of a tax increment financing district; authorizing the city to issue bonds in anticipation of the receipt of money from the state.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 11 to 14 and insert "*continues in effect until the earlier of (1) May 1, 2004; or (2) when all costs provided for in the tax increment plan relating to the district have been paid. In no event shall the city receive more than eight years of tax increments for the district and all tax increments received after May 1, 2002, in excess of the amount of local government aid lost by the city pursuant to Minnesota Statutes, section 273.1399, as a result of such tax increments, shall be used only to pay or reimburse capital costs of public road and bridge improvements.*"

Page 1, line 24, delete "\$3,000,000" and insert "\$4,000,000"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 998: A bill for an act relating to the city of Saint Paul; providing for a housing rehabilitation program; authorizing the issuance of general obligation bonds.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 7, after the period, insert "*Except for properties that are part of a lease purchase program, the city or authority shall not own projects financed under this section for more than two years.*"

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 Transportation and Public Transit, to which was referred

S.F. No. 881: A bill for an act relating to health care cost containment; increasing the fine for failure to use a child passenger restraint system or seat belt; making failure to wear a seat belt a primary offense; increasing the tax on cigarettes; crediting a portion of the tax to a special account; prohibiting self-service of tobacco under certain circumstances; mandating a study of the required reporting of prenatal exposure to controlled substances; amending Minnesota Statutes 1992, sections 169.685, subdivision 5; 169.686, subdivision 1; 297.02, subdivision 1; 297.03, subdivision 5; and 297.13, subdivision 1; 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 2, line 1, reinstate the stricken language

Page 2, line 2, delete "\$100" and insert "\$50"

Page 2, line 13, strike "or" and insert a comma and after "(2)" insert ", or (3)" and reinstate the stricken "\$25" and delete "\$100"

Page 2, line 15, reinstate the stricken language and delete the new language

Page 2, line 16, strike "of the driver" and strike "or any child under"

Page 2, line 17, strike "the age of 11"

Page 5, line 8, delete "commissioner" and insert "commission"

Page 5, after line 13, insert:

"Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 8 are effective July 1, 1993.*"

Amend the title as follows:

Page 1, line 4, delete "or seat belt"

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1269: A bill for an act relating to tax increment financing; exempting housing districts from certain reductions in aid; changing procedures for determination of tax capacity; providing an option for receiving first increment; changing certain limits on expenditures for housing districts; changing the time period tax increments may be used for interest reduction programs; changing the maximum duration of housing districts; providing for consultation with the county commissioner of the proposed district; amending Minnesota Statutes 1992, sections 273.1399, subdivision 1; 469.174, subdivision 4; 469.175, subdivision 1, and by adding a subdivision; 469.176,

subdivisions 1 and 4f; 469.1763, subdivision 2; and 469.177, subdivisions 1 and 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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1152: A bill for an act relating to metropolitan government; setting conditions for tax equivalent payments; amending Minnesota Statutes 1992, section 473.341.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1281: A bill for an act relating to Polk 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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1062: A bill for an act relating to metropolitan government; providing for coordination and consolidation of public mobile radio communications systems; proposing coding for new law in Minnesota Statutes, chapter 473.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [DEFINITIONS.]

*Subdivision 1. [GENERAL.] For the purposes of sections 1 to 7 the following terms have the meanings given in this section.*

*Subd. 2. [PLANNING COMMITTEE.] “Planning committee” means the metropolitan radio systems planning committee.*

*Subd. 3. [LOCAL ELECTED OFFICIAL.] “Local elected official” means any elected official of a local government, including, among others, tribal leaders from the Shakopee Mdewakanton Sioux community.*

*Subd. 4. [LOCAL GOVERNMENT.] “Local government” means any county, home rule charter, or statutory city, town, and the Mdewakanton Sioux community.*

*Subd. 5. [METROPOLITAN AREA.] “Metropolitan area” means the area within Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.*

*Subd. 6. [800 MEGAHERTZ.] “800 megahertz” means the following 800 megahertz channels: 821 to 824 and 866 to 869 megahertz.*

**Sec. 2. [PLANNING COMMITTEE; MEMBERSHIP.]**

*Subdivision 1. [GENERAL.] The metropolitan radio systems planning committee is established under the metropolitan council.*

*Subd. 2. [MEMBERSHIP.] The planning committee shall consist of 31 members. Sixteen shall be local elected officials appointed by the metropolitan council member from that member's metropolitan council district. One county board member shall be appointed by the county board of each of the seven counties in the metropolitan area.*

*The 24th member shall be appointed by the metropolitan council to represent the regional agencies, special districts, and other regional users of the system. The council's representative does not have to be an elected official. The 25th member shall be appointed by the sheriffs of the metropolitan counties from among their number. The 26th member shall be appointed by the chiefs of police of the metropolitan area from among their number. The 27th member shall be appointed by the fire chiefs of the metropolitan area from among their number. The 28th member shall be appointed from among the emergency medical service providers of the metropolitan area from among their number. The 29th member shall be the director of electronic communications for the department of transportation. The 30th member shall be appointed by the International Brotherhood of Electrical Workers Local 292. The 31st member shall be appointed by the Minnesota chapter of the association of public safety communications organizations. The members shall be appointed within 30 days of the effective date of this act.*

*Subd. 3. [CHAIR.] The chair of the planning committee shall be elected by a majority vote of the members of the planning committee.*

**Sec. 3. [DUTIES OF THE PLANNING COMMITTEE.]**

*Subdivision 1. [GENERAL.] The metropolitan council shall provide all staff and resources necessary to allow the planning committee to discharge its duties specified in this section.*

*Subd. 2. [PLANNING.] The planning committee shall:*

*(1) review the report and findings of the regional trunked radio task force and related metropolitan council recommendations;*

*(2) provide additional study of the current and future needs and capacities of radio systems in the metropolitan area both by local government unit and by user group;*

*(3) conduct a detailed analysis of all feasible options to address those needs;*

*(4) prepare a detailed plan allowing for coordinated, efficient, and cost-effective use of new 800 megahertz channels; and*

*(5) develop and evaluate feasible options to provide the most cost-effective public sector radio communications for the metropolitan area for both short-term and long-term needs.*

*Subd. 3. [REVIEW CONSIDERATIONS.] In performing its duties under this section, the planning committee may include the following considerations:*

*(1) identification and documentation of current uses, needs, and capacities, including growth and expansion capacities, by local government and by each major user group;*

(2) estimation of two-year, five-year, and ten-year future needs by each local government and by each major user group;

(3) identification, based on analysis of clauses (1) and (2), of the relevant criteria by which a system or systems could be determined to meet the current and future needs;

(4) analysis of existing and projected technology based on the criteria established in clause (3) to develop at least three options for meeting current and future needs;

(5) identification by local government and by major user group, of the anticipated level and timeline for utilization of each option developed in clause (4);

(6) analysis of the expected cost of each option, including all regional, state, and local capital and operating costs associated with implementing each option, assuming the utilization levels and timelines identified in clause (5). This analysis shall include, but shall not be limited to, obtaining responses to "requests for information" for budgetary cost estimates for the options from at least two private vendors; or

(7) development of options for allocation of costs among local governments and user groups under the various funding mechanisms under the options developed in clause (4).

*Subd. 4. [PUBLIC MEETINGS.]* After completing its duties under subdivisions 2 and 3, the planning committee shall prepare a draft report which the metropolitan council shall provide to local governments and major user groups in the metropolitan area, and which draft report shall also be made available to the public. After preparing and disseminating the draft report and before presenting the final report to the legislature, the metropolitan council in conjunction with the planning committee shall hold at least one public meeting in each metropolitan council district on the draft report at which it shall explain the report and seek public comment. A record shall be kept of the public comments received and a summary of such comments shall be prepared.

*Subd. 5. [REPORT.]* By February 1, 1994, the metropolitan council shall report to the legislature its findings and recommendations as well as a summary of the public comment as called for in subdivisions 2 to 4. The report shall also identify any changes in statutory authority necessary to provide for implementation of the three most preferred options.

#### Sec. 4. [LOCAL PARTICIPATION.]

Local governments and user groups must cooperate with the planning committee in its preparation of the regional plan to ensure that local needs are met. No local government in the metropolitan area may apply to the Federal Communications Commission for 800 megahertz channels as defined herein prior to May 1, 1994, without prior approval of the metropolitan council. No state agency may apply to the Federal Communications Commission for 800 megahertz channels prior to May 1, 1994, if the application would directly affect the metropolitan area.

#### Sec. 5. [USE OF LOANS.]



*The metropolitan council may continue to borrow from funds available under Minnesota Statutes, section 473.167, for the study and development of the metropolitan radio systems plan.*

Sec. 6. [APPLICATION.]

*This act applies in the metropolitan area.*

Sec. 7. [EFFECTIVE DATE.]

*This act is effective the day following final enactment and expires June 30, 1994."*

Delete the title and insert:

"A bill for an act relating to metropolitan government; establishing a metropolitan radio systems planning committee under the metropolitan council."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1184: A bill for an act relating to transportation; authorizing road authorities to develop, finance, design, construct, improve, rehabilitate, own, and operate toll facilities and to enter into agreements with private operators for the construction, maintenance, and operation of toll facilities; proposing coding for new law in Minnesota Statutes, chapter 160.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1032: A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; 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. [325F.755] [PRIZE NOTICES AND SOLICITATIONS.]

*Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms in this subdivision have the meanings given them.*

(a) "Prize" means a gift, award, or other item or service of value that is offered or awarded to a participant in a real or purported contest, competition, sweepstakes, puzzle, drawing, scheme, plan, or other selection process.

(b) "Retail value" of a prize means:

(1) a price at which the sponsor can substantiate that a substantial number

of the prizes have been sold to the public in Minnesota in the preceding year;  
or

(2) if the sponsor is unable to satisfy the requirement in clause (1), then no more than 1.5 times the amount the sponsor paid for the prize in a bona fide purchase from an unaffiliated seller.

(c) "Sponsor" means a corporation, partnership, limited liability company, sole proprietorship, or natural person that requires a person in Minnesota to pay the sponsor money as a condition of awarding the person a prize, or as a condition of allowing the person to receive, use, compete for, or obtain information about a prize, or that creates the reasonable impression that such a payment is required.

Subd. 2. [DISCLOSURES REQUIRED.] (a) No sponsor shall require a person in Minnesota to pay the sponsor money as a condition of awarding the person a prize, or as a condition of allowing the person to receive, use, compete for, or obtain information about a prize, nor shall a sponsor use any solicitation that creates the reasonable impression that such a payment is required, unless the person has first received a written prize notice containing the information required in paragraphs (b) and (c).

(b) A written prize notice must contain each of the following:

(1) the true name or names of the sponsor and the address of the sponsor's actual principal place of business;

(2) the retail value of each prize the person receiving the notice has been selected to receive or may be eligible to receive;

(3) a statement of the person's odds of receiving each prize identified in the notice;

(4) any requirement that the person pay shipping or handling fees or any other charges to obtain or use a prize, including the nature and amount of the charges;

(5) if receipt of the prize is subject to a restriction, a statement that a restriction applies, and a description of the restriction;

(6) any limitations on eligibility; and

(7) if a sponsor represents that the person is a "winner," is a "finalist," has been "specially selected," is in "first place," or is otherwise among a limited group of persons with an enhanced likelihood of receiving a prize, the written prize notice must contain a statement of the maximum number of persons in the group or purported group with this enhanced likelihood of receiving a prize.

(c) The information required by paragraph (b) must be presented in the following form:

(1) the retail value and the statement of odds required under paragraph (b), clauses (2) and (3), must be stated in immediate proximity to each identification of a prize on the written notice, and must be in the same size and boldness of type as the reference to the prize;

(2) the statement of odds must include, for each prize, the total number of prizes to be given away and the total number of written prize notices to be

distributed. The number of prizes and written prize notices must be stated in Arabic numerals. The statement of odds must be in the following form:

“..... (number of prizes) out of ..... notices distributed.”;

(3) if a person is required to pay shipping or handling fees or any other charges to obtain a prize, to be eligible to obtain a prize, or participate in a contest, the following statement must appear in immediate proximity to each listing of the prize in the written prize notice, in not less than ten-point boldface type: “YOU MUST PAY \$..... TO RECEIVE THIS ITEM” or “YOU MUST PAY \$..... TO COMPETE FOR THIS ITEM,” whichever is applicable; and

(4) a statement required under paragraph (b), clause (7), must appear in immediate proximity to each representation that the person is among a group of persons with an enhanced likelihood of receiving a prize, and must be in the same size and boldness of type as the representation.

**Subd. 3. [PRIZE AWARD REQUIRED.]** A sponsor who represents to a person that the person has been awarded a prize, shall, not later than 30 days after making the representation, provide the person with the prize, or with a voucher, certificate, or other document giving the person the unconditional right to receive the prize, or shall provide the person with either of the following items selected by the person:

(1) any other prize listed in the written prize notice that is available and that is of equal or greater value; or

(2) the retail value of the prize, as stated in the written notice, in the form of cash, a money order, or a certified check.

**Subd. 4. [ADVERTISING MEDIA EXEMPT.]** Nothing in this section creates liability for acts by the publisher, owner, agent, or employee of a newspaper, periodical, radio station, television station, cable television system, or other advertising medium arising out of the publication or dissemination of a solicitation, notice, or promotion governed by this section, unless the publisher, owner, agent, or employee had knowledge that the solicitation, notice, or promotion violated the requirements of this section, or had a financial interest in the solicitation, notice, or promotion.

**Subd. 5. [EXEMPTIONS.]** This section does not apply to solicitations or representations, in connection with (1) the sale or purchase of books, recordings, videocassettes, periodicals, and similar goods through a membership group or club which is regulated by the Federal Trade Commission pursuant to Code of Federal Regulations, title 16, part 425.1, concerning use of negative option plans by sellers in commerce; (2) the sale or purchase of goods ordered through a contractual plan or arrangement such as a continuity plan, subscription management, or a single sale or purchase series arrangement under which the seller ships goods to a consumer who has consented in advance to receive the goods and after the receipt of the goods is given the opportunity to examine the goods and to receive a full refund of charges for the goods upon return of the goods undamaged; or (3) sales by a catalog seller. For purposes of this section “catalog seller” shall mean any entity (and its subsidiaries) or person at least 50 percent of whose annual revenues are derived from the sale of products sold in connection with the distribution of catalogs of at least 24 pages, which contain written descriptions or illustrations and sale prices for each item of merchandise and which are

*distributed in more than one state with a total annual distribution of at least 250,000.*

*Subd. 6. [EXEMPTIONS FOR REGULATED ACTIVITIES.] This section does not apply to advertising permitted and regulated under chapter 82A, concerning membership camping practices; advertising permitted and regulated under chapter 83, concerning subdivided lands and interests in subdivided lands; pari-mutuel betting on horse racing permitted and regulated under chapter 240; lawful gambling permitted and regulated under chapter 349; or the state lottery created and regulated under chapter 349A.*

*Subd. 7. [VIOLATIONS.] (a) Nothing in this section shall be construed to permit an activity otherwise prohibited by law.*

*(b) A violation of this section is also a violation of sections 325F.68 to 325F.71 and is subject to section 8.31.*

*(c) Whoever intentionally violates this section may be fined not more than \$10,000 or imprisoned for not more than two years, or both. A violation is intentional if the violation occurs after the office of the attorney general has notified a person by certified mail that the person is in violation of this section, unless the court finds that the person was in fact in substantial compliance with this section.*

*(d) A person suffering pecuniary loss because of an intentional violation of this section may bring an action in any court of competent jurisdiction and shall recover costs, reasonable attorney fees, and the greater of: (1) \$500; or (2) twice the amount of the pecuniary loss.*

*(e) The relief provided in this section is in addition to remedies or penalties otherwise available against the same conduct under common law or other statutes of this state."*

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1276: A bill for an act relating to crime victims; restitution; requiring the deduction from a prison inmate's wages of unpaid restitution obligations from previous convictions; requiring the deduction of unpaid restitution obligations from tax refunds before deducting debts other than taxes and child support; permitting forfeited bail proceeds to be used to pay restitution obligations; waiving fees for the docketing of a restitution order as a civil judgment; amending Minnesota Statutes 1992, sections 243.23, subdivision 3; 270A.10; and 611A.04, subdivisions 1 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 4, delete sections 2 and 3

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 5 to 8

Page 1, line 9, delete "obligations;"

Page 1, line 12, delete "270A.10;" and delete "subdivisions 1 and" and insert "subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1175: A bill for an act relating to animals; tightening laws prohibiting cruel treatment of certain animals; increasing certain penalties; amending Minnesota Statutes, 1992, sections 343.21, subdivisions 9 and 10; and 346.44; proposing coding for new law in Minnesota Statutes, chapter 343.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, delete "*this section*" and insert "*subdivision 1 or 7*"

Page 1, line 13, after "*violation*" insert "*of subdivision 1 or 7*"

Page 1, line 23, strike "if" and insert "*unless*" and strike "unable or"

Page 1, line 24, strike "unfit" and insert "*able and fit*"

Page 2, lines 17 and 18, delete "343.28, 343.30, 343.31,"

Page 2, delete section 4

Page 2, lines 29 and 32, delete "4" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section"

Page 1, line 5, delete "and 346.44;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 67: A bill for an act relating to crime; clarifying the application of the tolling provision in the law governing criminal statutes of limitations; amending Minnesota Statutes 1992, section 628.26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 29, insert:

"Sec. 3. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Berg from the Committee on Gaming Regulation, to which was referred

S.F. No. 104: A bill for an act relating to lawful gambling; authorizing the use of pull-tab dispensing devices; amending Minnesota Statutes 1992, sections 349.12, subdivision 18; 349.13; and 349.151, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

"ARTICLE 1  
PULL-TAB DISPENSING DEVICES"

Page 3, line 2, after "permit" insert ", but not require,"

Page 3, after line 10, insert:

"ARTICLE 2  
VIDEO LOTTERY

Section 1. [DEFINITIONS.]

*Subdivision 1. [BOARD.] "Board" is the state lottery board.*

*Subd. 2. [CREDIT.] A "credit" has a cash value of 25 cents.*

*Subd. 3. [DIRECTOR.] "Director" is the director of the state lottery.*

*Subd. 4. [LICENSED ESTABLISHMENT.] "Licensed establishment" means an establishment licensed under Minnesota Statutes, chapter 340A, to sell, and engaged in the sale of intoxicating liquor for consumption on the premises where sold.*

*Subd. 5. [LOTTERY.] "Lottery" is the state lottery authorized in Minnesota Statutes, chapter 349A.*

*Subd. 6. [NET MACHINE INCOME.] "Net machine income" means money put into a video lottery machine minus credits paid out in cash.*

*Subd. 7. [SERVICE EMPLOYEE.] "Service employee" means an employee of an operator certified by the director to perform service, maintenance, and repair on video lottery machines.*

*Subd. 8. [EPROM.] "Eprom" means a computer chip that stores memory.*

*Subd. 9. [VIDEO LOTTERY MACHINE.] "Video lottery machine" or "machine" means an electronic video game machine that upon the insertion of a coin, token, or currency is available to simulate by video representation the play of poker, keno, or bingo, utilizing a video display and microprocessors in which, by chance, the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens.*

*Subd. 10. [VIDEO LOTTERY MACHINE DISTRIBUTOR.] "Video lottery machine distributor" means an individual, partnership, corporation, or association that distributes or sells video lottery machines or associated equipment in this state.*

*Subd. 11. [VIDEO LOTTERY MACHINE MANUFACTURER.] "Video lottery machine manufacturer" means an individual, partnership, corpora-*

tion, or association that assembles or produces video lottery machines or associated equipment for sale or use in this state.

*Subd. 12. [VIDEO LOTTERY MACHINE OPERATOR.] "Video lottery machine operator" means an individual, partnership, corporation, or association that places video lottery machines or associated equipment for public use in this state.*

### Sec. 2. [RULES.]

*The director may adopt rules, including emergency rules, under Minnesota Statutes, chapter 14, governing the following elements of the lottery:*

- (1) the number and types of lottery retailers' locations;*
- (2) qualifications of lottery retailers and application procedures for lottery retailer contracts;*
- (3) investigation of lottery retailer applicants;*
- (4) appeal procedures for denial, suspension, or cancellation of lottery retailer contracts;*
- (5) compensation of lottery retailers;*
- (6) accounting for and deposit of lottery revenues by lottery retailers;*
- (7) procedures for issuing lottery procurement contracts and for the investigation of bidders on those contracts;*
- (8) payment of prizes;*
- (9) procedures needed to ensure the integrity and security of the lottery;*
- (10) specifications for video lottery machines, the components of the machines, and the central communication system used in the operation of the video lottery system; and*
- (11) other rules the director considers necessary for the efficient operation and administration of the lottery.*

*Before adopting a rule the director shall submit the rule to the board for its review and comment. In adopting rules under clause (10), the director shall take into consideration standards adopted in other jurisdictions.*

### Sec. 3. [CRIMINAL HISTORY.]

*The director may request the director of gambling enforcement to investigate all applicants for video lottery machine manufacturer, distributor, operator, and establishment licenses to determine their compliance with the requirements of section 13, subdivision 4. The director has access to all criminal history data compiled by the director of gambling enforcement on any person holding or applying for a video lottery machine manufacturer, distributor, operator, or establishment license.*

### Sec. 4. [VIDEO LOTTERY MACHINE MANUFACTURERS, DISTRIBUTORS, OPERATORS, AND ESTABLISHMENTS.]

*A person who is a video lottery machine manufacturer, distributor, operator, or a licensed establishment, or who is applying to be a video lottery machine manufacturer, distributor, operator, or licensed establishment may not pay, give, or make any economic opportunity, gift, loan, gratuity, special*

*discount, favor, hospitality, or service, excluding food or beverage, having an aggregate value of over \$100 in any calendar year to the director, board member, employee of the lottery board, or to a member of the immediate family residing in the same household as that person.*

**Sec. 5. [REQUIREMENTS FOR LICENSED VIDEO LOTTERY MACHINES.]**

*A video lottery machine licensed under this article must:*

- (1) offer only games approved by the director;*
- (2) not have any means of manipulation that affect the random probabilities of winning a video lottery game; and*
- (3) have a minimum of one electronic or mechanical coin acceptor that must be installed in each video lottery machine. A video lottery machine may also contain bill accepters for \$1 bills, \$5 bills, \$10 bills, and \$20 bills. The bill accepters may be for any single bill or combination of bills in the denominations listed in this clause. Approval letters and test reports of the coin and bill accepters from other state or federal jurisdictions may be submitted. However, all coin and bill accepters are subject to approval by the director.*

**Sec. 6. [LIMIT ON AMOUNT PLAYED AND AWARDS GIVEN.]**

*A video lottery machine must not allow more than \$2 to be played on a game and must not award free games or credits in excess of the value of \$125 per credit value of 25 cents played. The payback value of one credit must be at least 88 percent and not more than 95 percent of the value of the credit.*

**Sec. 7. [DISPLAY OF LICENSE FOR VIDEO LOTTERY MACHINE; CONFISCATION; VIOLATION.]**

*A video lottery machine must be licensed by the director before placement or operation on the premises of a licensed establishment. The machine must have the license prominently displayed on it. A machine that does not display the license required by this section is contraband and subject to confiscation by a law enforcement officer. A violation of this section is a misdemeanor.*

**Sec. 8. [APPLICATION FOR APPROVAL OF A VIDEO LOTTERY MACHINE.]**

*A manufacturer or distributor must not distribute a video lottery machine for placement in the state unless the machine has been approved by the director. A manufacturer may apply for approval of a video lottery machine or associated equipment while an application for the manufacturer's license is pending, provided that no machine or associated equipment may be distributed for placement until the license application has been approved.*

**Sec. 9. [EXAMINATION OF VIDEO LOTTERY MACHINES.]**

*The director must examine prototypes of video lottery machines and associated equipment of manufacturers seeking a license as required in this chapter. The director must require a manufacturer seeking examination and approval of a video lottery machine or associated equipment to pay the anticipated actual costs of the examination in advance and, after the completion of the examination, must refund overpayments or charge and collect amounts sufficient to reimburse the lottery for underpayment of actual*



costs. The director may contract for the examination of video lottery machines and associated equipment as required by this section.

**Sec. 10. [TESTING OF VIDEO LOTTERY MACHINES.]**

The director may require working models of a video lottery machine to be transported to a location the director designates for testing, examination, and analysis. The manufacturer must pay all costs of testing, examination, analysis, and transportation of the machine models.

**Sec. 11. [REPORT OF TEST RESULTS.]**

After each test has been completed, the director must provide the machine manufacturer with a report that contains findings, conclusions, and pass/fail results. The report may contain recommendations for modifications to bring the machine into compliance with law and rules.

**Sec. 12. [MODIFICATIONS TO PREVIOUSLY APPROVED MODELS.]**

The machine manufacturer and distributor are responsible for the assembly and initial operation of a video lottery machine and associated equipment in the manner approved and specified in a license issued by the director. The manufacturer and distributor must not change the assembly or operational functions of a machine for placement in the state unless a request for modification has been approved by the director.

**Sec. 13. [VIDEO LOTTERY MACHINE MANUFACTURERS, DISTRIBUTORS, OPERATORS, ESTABLISHMENTS; LICENSES; PROHIBITIONS.]**

**Subdivision 1. [LICENSE REQUIRED.]** A person must not engage in business as a video lottery machine manufacturer, distributor, operator, or licensed establishment in this state without a license from the director under this section.

**Subd. 2. [CONDITION ON LICENSED ESTABLISHMENTS.]** (a) As a condition of the issuance of a license under this article, a licensed establishment, which as of March 31, 1993, leases space in the licensed establishment to an organization licensed to conduct lawful gambling under Minnesota Statutes, chapter 349, must continue to lease space to a licensed organization for the duration of the license of the licensed establishment.

(b) Any licensed establishment in which a video lottery machine is placed and operated must provide training to its employees for the recognition and prevention of compulsive gambling in accordance with standards established by the director

**Subd. 3. [PROHIBITIONS.]** (a) A video lottery machine manufacturer must not sell, offer for sale, or furnish a video lottery machine for use in this state to a person who is not a video lottery machine distributor-licensed by the director.

(b) A video lottery machine distributor must not sell, offer for sale, or furnish a video lottery machine for use in the state to a person who is not a licensed video lottery machine operator.

(c) A video lottery machine operator must not lease or furnish a video lottery machine for use in this state to a licensed establishment that is not licensed by the director.

(d) A licensed establishment must not lease a video lottery machine from a person not licensed as a video lottery machine operator.

Subd. 4. [APPLICATION.] (a) An application for a video lottery machine manufacturer, distributor, operator, or licensed establishment license must be accompanied by a corporate surety bond issued by a surety licensed to do business in this state in an amount determined by the director conditioned on compliance by the applicant with the provisions of the license. The bond required by this subdivision must be kept in full force during the period covered by the license.

(b) Upon receipt of the application, the bond in proper form, and payment of the license fee required under this section, the director must issue a license, in a form prescribed by the director, to the applicant unless the director determines that the applicant is otherwise unqualified. A refusal to issue a license is a contested case under Minnesota Statutes, sections 14.57 to 14.69.

(c) The license permits the applicant to whom it is issued to engage in business as a video lottery machine manufacturer, distributor, operator, or licensed establishment at the place of business shown in the application. The director must assign a license number to each licensee when the initial license is issued. The license number must be inscribed on all licenses issued to a manufacturer, distributor, operator, or licensed establishment.

Subd. 5. [QUALIFICATIONS.] (a) A license may not be issued under this section to a video lottery machine manufacturer, distributor, operator, or licensed establishment that has as a partner, officer, director, other person in a supervisory or management position, or employee eligible to make sales on behalf of the applicant, a person who has either (1) for a license for a video lottery machine operator or a licensed establishment, within the previous five years been convicted of a felony or gross misdemeanor, a crime involving fraud or misrepresentation, or owes \$500 or more in delinquent taxes as defined in Minnesota Statutes, section 270.72, or a gambling-related offense; or (2) for a license for a video lottery manufacturer or distributor, fails to satisfy the requirements contained in Minnesota Statutes, section 299L.07, subdivision 3.

(b) A video lottery machine operator must be a resident of this state and, if a partnership or corporation, the majority of ownership interests must be held by residents of this state.

(c) The director shall require that all service employees or other persons authorized to open a video lottery machine be fingerprinted. The director may charge a fee for the fingerprinting.

(d) The director may adopt rules to establish additional requirements to preserve the integrity and security of the lottery.

Subd. 6. [LICENSE FEES.] The annual license fees for video lottery machine manufacturers, distributors, operators, and licensed establishments are:

- (1) \$5,000 for a video lottery machine manufacturer's license;
- (2) \$5,000 for a video lottery machine distributor's license;
- (3) \$1,000 for a video lottery machine operator's license for up to 25 licensed machines and \$100 per licensed machine thereafter; and

(4) \$100 for a retailer at whose establishment a video lottery machine is located.

*The fees collected in this subdivision shall be used to pay for the costs of conducting background investigations for licensees.*

*A license issued under this section is not transferable or assignable without the express written consent of the director.*

*Subd. 7. [RECORDS.] (a) Manufacturers, distributors, and operators of video lottery machines must maintain a record of all video lottery machines sold or purchased. The record must include:*

*(1) the identity of the person or firm to whom the video lottery machine was sold;*

*(2) the identity of the person or firm from whom the video lottery machine was purchased;*

*(3) the registration number of the video lottery machine; and*

*(4) the date of sale.*

*(b) The invoice for each sale must be retained for at least three years after the sale is completed and a copy of the invoice is delivered to the director. For purposes of this subdivision, a sale is completed when the video lottery machine is physically delivered to the purchaser.*

*(c) Manufacturers and distributors must report monthly to the director, in a form the director prescribes, their sales of each type of video lottery machine. The director or the director of gambling enforcement may inspect or cause to have inspected the books, records, and other documents of a manufacturer or distributor at any reasonable time without notice and without a search warrant.*

#### Sec. 14. [INVESTIGATION FEE.]

*The director may charge a nonrefundable investigation fee to a person applying for a license as a video lottery machine manufacturer, distributor, operator, or licensed establishment in an amount sufficient to cover the cost of making the investigation required by section 3. The director may also charge a nonrefundable fee for an annual investigation of a licensee.*

#### Sec. 15. [MAINTENANCE LOG FORMS REQUIRED.]

*A written maintenance log must be kept in the main cabinet access area of a video lottery machine. Every person, including lottery and law enforcement personnel, who gains entry into an internal space of a video lottery machine must sign the log, indicate the time and date of entry, indicate the mechanical meter readings, and list the area inspected or repaired. The maintenance log forms must be obtained from the director and retained by operators for a period of three years from the date of the last entry. The maintenance logs must be available for inspection by the director upon request.*

#### Sec. 16. [KEYS TO MACHINES.]

*An operator must provide to the director master keys in a number determined by the director for access to the main cabinet door and locked logic area of a machine placed in operation.*

#### Sec. 17. [NOTIFICATION OF REPAIRS TO THE LOGIC AREA.]

A repair to the logic board or circuitry within the logic area must be reported by the operator to the director immediately upon completion of the repair. The operator must also submit a written report of the repair to the director within 24 hours. If a logic board is replaced, the report must include the serial number of the replacement board.

**Sec. 18. [NOTIFICATION OF BROKEN SEALS ON LOGIC BOARD.]**

The eproms on the logic board of a video lottery machine must be sealed by the lottery after initial inspection. An operator must inform the director in writing of a break or tear in the sealed tape noticed during routine maintenance checks that were not the result of a repair under section 17.

**Sec. 19. [PAYMENT FOR CREDITS.]**

(a) A licensed establishment must pay for all credits won in the operation of the video lottery machine upon presentation of a valid winning ticket voucher displaying the credits awarded to the player. The establishment must not pay a player on the basis of a ticket voucher that has been defaced or tampered with. Upon payment to the player, the establishment must immediately cancel the ticket voucher in a manner that prevents its reuse.

(b) The licensed establishment is responsible for accounting for all disbursements paid for credits won by the player, and must supply that information to the director and to the operator.

(c) The operator is responsible for accounting to the establishment and to the director the machine income and must remit to the director the state's percentage of net machine income within the time periods required.

**Sec. 20. [RESTRICTION ON PAYMENT OF CREDITS.]**

A licensed establishment may redeem tickets only for credits awarded on video lottery machines located on its premises. A ticket must be presented for payment before the close of business on the date the ticket was printed. Neither the lottery nor the state is liable for the payment of credits on valid winning tickets. A ticket redeemed by a licensed establishment must be marked or defaced in a manner that prevents subsequent presentation and payment.

**Sec. 21. [LIABILITY FOR MACHINE MALFUNCTION.]**

Neither the lottery nor the state is responsible for a machine malfunction that causes credits to be wrongfully awarded or denied to players. The operator is solely responsible for a wrongful award or denial of credits. An operator's liability is limited to the number of credits for the game displayed in the game rules and may not be greater than \$1,000 for any succession of games played.

**Sec. 22. [PROHIBITION.]**

A distributor or operator of a video lottery machine must not also be a wholesale distributor of liquor or alcoholic beverages.

**Sec. 23. [MULTIPLE TYPES OF LICENSES PROHIBITED.]**

A video lottery machine manufacturer must not be licensed as a video lottery machine distributor or operator or own, manage, or control a licensed establishment. A video lottery machine distributor must not be licensed as a video lottery machine operator or own, manage, or control a licensed establishment. A video lottery machine operator must not be licensed as a

*video lottery machine manufacturer or distributor. An owner or manager of a licensed establishment must not be licensed as a video lottery machine manufacturer or distributor.*

**Sec. 24. [RULES FOR PLACEMENT OF VIDEO LOTTERY MACHINES; NUMBER LIMITED; SECURITY.]**

*Subdivision 1. [NUMBER OF MACHINES.] A maximum of two video lottery machines may be placed in a licensed establishment. The placement of a video lottery machine in a licensed establishment is subject to the rules of the director.*

*Subd. 2. [SECURITY.] The licensed establishment is required to install a camera surveillance system.*

**Sec. 25. [HOURS OF OPERATIONS OF MACHINES.]**

*A video lottery machine may be played only during the legal hours for on-sale consumption of alcoholic beverages as provided in Minnesota Statutes, chapter 340A.*

**Sec. 26. [VIDEO LOTTERY MACHINE INCOME; REMITTANCE TO STATE; PENALTIES.]**

*(a) The percentages of the net machine income from the operation of a video lottery machine referred to in this section constitute a trust fund until paid to the director. The licensed establishment and the video lottery machine operator are jointly and severally liable for the state's share of the net machine income.*

*(b) The state is entitled to 30 percent of the net machine income from the operation of a video lottery machine. Of the state's percentage, ... percent of the net machine income shall be directed to the commissioner of human services for the compulsive gambling treatment program as provided in Minnesota Statutes, section 245.98. One percent of the proceeds of the tax shall be paid to the board of arts in Minnesota Statutes, chapter 129D, to be used for programs and grants consistent with that chapter. The proceeds received by the board in this subdivision are in addition to other money appropriated to the board.*

*(c) Any organization licensed under Minnesota Statutes, chapter 349, and conducting lawful gambling in the licensed establishment is entitled to ten percent of the net machine income from the operation of a video lottery machine or a greater percentage as determined under paragraph (g). A local statutory or home rule charter city or county may require by ordinance that the organization contribute up to ten percent of the amount of net machine income the organization receives to a fund administered and regulated by the responsible local unit of government for disbursement by the responsible local unit of government for lawful purposes contributions or expenditures, as defined in Minnesota Statutes, section 349.12, subdivision 25, paragraph (a). If there is no organization conducting lawful gambling at the licensed establishment, the ten percent shall be remitted to the local statutory or home rule charter city or county in which the licensed establishment is located for the purpose of economic development within that jurisdiction.*

*(d) The state's percentage and the percentage under paragraph (c) of net machine income must be reported and remitted to the director on the days determined by the director.*

(e) An operator who falsely reports or fails to report the amount due as required by this section is guilty of a misdemeanor and is subject to termination of the operator's license.

(f) An operator must keep a record of net machine income in the form the director requires. A payment not remitted when due must be paid together with a penalty assessment on the unpaid balance at a rate of 1-1/2 percent per month.

(g) If the ten percent figure in paragraph (c) when added to the gross profits from lawful gambling at that location for that year does not meet or exceed 110 percent of the gross profits from lawful gambling in 1992 at that location, then the organization is entitled to an additional amount of the net machine income necessary to reach this 110 percent figure. The director may require the licensed organization and the licensed establishment to submit information necessary to implement this paragraph and paragraph (c).

**Sec. 27. [REMITTANCE THROUGH ELECTRONIC TRANSFER OF FUNDS.]**

The operator of a video lottery machine must remit the state's percentage of net machine income through the electronic transfer of funds. The operator must furnish to the director all information and bank authorizations required to facilitate timely payment to the director. The operator must provide the director 30 days' advance notice of a proposed account change to ensure the uninterrupted electronic transfer of funds.

**Sec. 28. [INTEREST ON LATE PAYMENT OR INSUFFICIENT FUNDS PAYMENT.]**

An operator must maintain a balance in its account in an amount to cover the state's percentage of net machine income set forth in section 26. If an operator fails to maintain a balance in the account as required by this section, the director must assess interest at the rate of 1-1/2 percent per month on the unpaid balance. If an operator fails to remit full payment, including interest, before the next payment date, the director may disable the machine and prevent further play, suspend or revoke the operator's license, or impose a civil fine.

**Sec. 29. [AUDIT TAPE.]**

An operator must retain an audit tape that records an exact duplicate of tickets printed and transactions recorded in the video lottery machine. The audit tape must be kept for a period of three years; identified by machine, and stored in a secure area.

**Sec. 30. [INCOME RECORD KEEPING.]**

An operator must keep accurate records of net machine income generated from a machine. The director must prepare and mail to the operator a statement reflecting the net machine income and the state's percentage of that amount before the date payment is remitted through the electronic transfer of funds. An operator must report to the director any discrepancies in net machine income between the lottery's statement and a machine's mechanical and electronic meter readings. The director is not responsible for resolving discrepancies in net machine income between actual money collected and the amount shown on the accounting meters or billing statement. In the event of a discrepancy, the operator must submit to the director information, includ-

ing, without limitation, current mechanical meter readings and the audit ticket that contains electronic meter readings generated by the machine's software, necessary to resolve the discrepancy.

**Sec. 31. [REQUEST FOR REPORTS.]**

An operator may request, and the director must supply to the extent available, additional reports on play transactions of a video lottery machine and other marketing information not considered confidential by the director. The director may charge a fee for the cost of producing and mailing the reports and information.

**Sec. 32. [REVOCATION, SUSPENSION, AND REFUSAL TO RENEW LICENSES.]**

(a) The director must revoke the license of a video lottery machine manufacturer, distributor, operator, or licensed establishment that:

(1) for an operator of a licensed establishment, has been convicted of a felony, gross misdemeanor, or a gambling-related offense within the previous five years, or, for a video lottery machine manufacturer or distributor, has been convicted of a gambling-related offense at any time;

(2) has provided false or misleading information to the division;

(3) fails to comply with section 13, subdivision 2; or

(4) for a video lottery manufacturer or distributor, fails to comply with the requirements in Minnesota Statutes, section 299L.07, subdivision 3.

(b) The director may revoke, suspend, or refuse to renew the license of a video lottery machine manufacturer, distributor, operator, or licensed establishment that:

(1) fails to remit funds to the director in accordance with the director's rules;

(2) violates a law or a rule or order of the director;

(3) fails to comply with any of the terms in the license;

(4) fails to comply with bond requirements under section 13, subdivision 4; or

(5) has violated Minnesota Statutes, section 340A.503, subdivision 2, clause (1), two or more times within a two-year period.

(c) The director may also revoke, suspend, or refuse to renew a license of a video lottery machine manufacturer, distributor, operator, or licensed establishment if there is a material change in any of the factors considered by the director under section 13, subdivision 4.

(d) A license cancellation, suspension, or refusal to renew under this subdivision is a contested case under Minnesota Statutes, sections 14.57 to 14.69, and is in addition to any criminal penalties provided for a violation of law or rule.

(e) The director may temporarily suspend a license without notice for any of the reasons specified in this section provided that a hearing is conducted within seven days after a request for a hearing is made by a licensee. Within 20 days after receiving the administrative law judge's report, the director

shall issue an order vacating the temporary suspension or making any other appropriate order. If no hearing is requested within 30 days of the temporary suspension taking effect, the director may issue an order making the suspension permanent.

Sec. 33. [TAMPERING WITH VIDEO LOTTERY MACHINES; PENALTY.]

*A person who tampers with a video lottery machine with intent to interfere with the proper operation of the machine is guilty of a gross misdemeanor.*

Sec. 34. [MANIPULATING OUTCOME, PAYOFF, OR OPERATION OF A VIDEO LOTTERY MACHINE; PENALTY.]

*A person who with intent to manipulate the outcome, payoff, or operation of a video lottery machine, manipulates the outcome, payoff, or operation by tampering or by other means is guilty of a misdemeanor.*

Sec. 35. [AGE.]

*(a) A licensed establishment must not allow a person under the age of 21 to operate a video lottery machine.*

*(b) A person under the age of 21 must not operate a video lottery machine.*

*(c) It is an affirmative defense under paragraph (a) for the licensed establishment to prove by a preponderance of the evidence that the licensed establishment reasonably and in good faith relied on representation of proof of age described in Minnesota Statutes, section 340A.503, subdivision 6; in allowing the operation of the video lottery machine.*

Sec. 36. [SERVICE AND REPAIR; TRAINING.]

*(a) A video lottery machine must not be placed in operation in the state until training that has been approved by the director in the service and repair of the machine has taken place as hereafter provided.*

*(b) A manufacturer or distributor must provide training in the service and repair of each machine model approved by the director.*

*(c) A video lottery machine must not be placed in operation in the state until the manufacturer or distributor has provided the required training in the service and repair of the machine model approved by the director.*

*(d) A manufacturer or distributor must provide the training to the operator and its service employees and must certify to the director that the required training has been completed.*

*(e) A manufacturer or distributor must provide subsequent training programs to inform operators of new developments in the service and repair of its machines.*

*(f) A manufacturer or distributor must inform the director of the names of operators and service employees who attend and successfully complete each training program. The director must issue a certificate to each person certified signifying that the person is certified to service and repair video lottery machines of the particular manufacturer and model.*

Sec. 37. [MAINTENANCE OF VIDEO LOTTERY MACHINES.]



*Video lottery machines must be serviced and maintained in a manner and condition approved by the director.*

Sec. 38. [INSPECTIONS.]

*Manufacturers, distributors, operators, and licensed establishments must provide immediate access to all records and the physical premises of the business for inspection at the request of the director.*

Sec. 39. [TELEPHONE LINES.]

*The operator of a video lottery machine is responsible for the installation, operation, and funding of telephone lines into a licensed establishment as required by the director to provide direct communication between the machine and the central computer operated by the lottery.*

Sec. 40. [LOCATION AGREEMENTS.]

*(a) A video lottery machine operator must have a location agreement that is approved by the director with the licensed establishment providing at least the following:*

*(1) designation of the location where the video lottery machine is to be placed for use by the public; and*

*(2) provision for the share in revenue generated from net machine income to be apportioned to the operator and to the licensed establishment.*

*(b) A copy of the location agreement must be retained by the operator and the licensed establishment and be available for review and inspection by the director.*

*(c) The location agreement may contain other terms and conditions agreed to by the operator and licensed establishment.*

Sec. 41. [RESTRICTIONS.]

*Nothing in this chapter:*

*(1) authorizes the director to conduct a lottery game or contest the winner or winners of which are determined by the result of a sporting event other than a horse race conducted under Minnesota Statutes, chapter 240; and*

*(2) authorizes the director to sell pull-tabs as defined under Minnesota Statutes, section 349.12, subdivision 32.*

Sec. 42. [GAMBLING DEVICE.]

*A gambling device is a contrivance which for a consideration affords the player an opportunity to obtain something of value, other than free plays, automatically from the machine or otherwise, the award of which is determined principally by chance. "Gambling device" also includes a video game of chance, as defined in Minnesota Statutes, section 609.75, subdivision 8, but does not include a video lottery machine operated under this article.*

Sec. 43. [STATE LOTTERY.]

*Minnesota Statutes, sections 609.755 and 609.76, do not prohibit the operation of the state lottery; the sale, possession, or purchase of tickets for*

*the state lottery; or the manufacture, sale, placement, or operation of a video lottery machine under this article.*

**Sec. 44. [VIDEO LOTTERY PILOT PROGRAM TASK FORCE.]**

*Subdivision 1. [CREATION.] A task force is created to evaluate the video lottery pilot program. The task force shall consist of the following ten members: the chairs of the senate gaming regulation committee and the house of representatives governmental operations and gaming committee, the director of the gambling control board, the director of the division of gambling enforcement in the department of public safety, the director of the state lottery, the commissioner of revenue or the commissioner's designee, a representative of the attorney general's office, a county official from a county in the pilot program area, a representative from the department of human service's compulsive gambling program, a local law enforcement official from a county in the pilot program area, and a representative from an Indian tribe that conducts class III gaming, as defined in the Indian Gaming Regulatory Act, Public Law Number 100-497.*

*Subd. 2. [CHAIR.] The members of the task force shall select one of its members by popular vote to serve as the chair of the task force.*

*Subd. 3. [DUTIES.] The task force shall conduct a study of the video lottery pilot program and make recommendations concerning the following issues:*

*(1) the economic impact of video lottery on the entertainment industry, communities in which video lottery is conducted, Indian gaming, the state lottery, and pari-mutuel horse racing;*

*(2) the social impact of video lottery on compulsive gambling and the receptivity of video lottery by communities in the state;*

*(3) the criminal impact of video lottery on organized crime, crimes related to the operation of video lottery, and crimes caused by compulsive gamblers;*

*(4) the administrative impact on the state lottery, department of revenue, division of gambling enforcement; and*

*(5) the costs and benefits and feasibility of conducting video lottery on a permanent basis.*

*Subd. 4. [REPORT.] The task force shall submit a written report containing its recommendations and findings to the legislature by January 1, 1995.*

**Sec. 45. [REPEALER.]**

*This article is repealed August 1, 1995.*

**Sec. 46. [EFFECTIVE DATE.]**

*This article is effective after July 31, 1993, in all of the counties in the state."*

Delete the title and insert:

*"A bill for an act relating to the lottery; establishing a two-year statewide pilot program authorizing and regulating the use of video lottery machines; regulating video lottery manufacturers, distributors, operators, and licensed establishments; creating a video lottery pilot program task force; authorizing the use of pull-tab dispensing devices; prescribing penalties; amending*

Minnesota Statutes 1992, sections 349.12, subdivision 18; 349.13; and 349.15, 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. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1471: A bill for an act relating to agriculture; providing compensation for crops and livestock damaged by wildlife; establishing a procedure for damage claims; appropriating money; amending Minnesota Statutes 1992, section 97A.475, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 730: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; 32A.071, subdivisions 1 and 2; and 32A.09, subdivisions 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 8a. [DAIRYTRADE PRACTICES.] Certain information obtained by the commissioner of agriculture on dairy marketers or retailers is classified in section 9.”*

Page 12, delete section 4

Page 14, line 34, delete “All” and insert “Financial and production”

Page 14, line 35, delete “on” and insert “from” and delete “or” and insert “and”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after “sections” insert “13.99, by adding a subdivision;”

Page 1, line 5, delete “subdivisions 1,” and insert “subdivision”

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1124: A bill for an act relating to county records; providing for the use of certain fees; amending Minnesota Statutes 1992, section 357.18, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1293: A bill for an act relating to jury management; increasing the fee for jury trial requests; authorizing the supreme court to set the compensation and travel reimbursement of jurors; amending Minnesota Statutes 1992, sections 357.021, subdivision 2; and 593.48.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 9, after "*for*" insert "*additional*" and after "*expenses*" insert "*incurred as a result of jury duty*".

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 399: A bill for an act relating to human services; modifying the STRIDE program; requiring a work component; modifying the aid to families with dependent children program; amending Minnesota Statutes 1992, sections 13.46, subdivision 2; 256.73, subdivisions 2, 3a, and 5; 256.736, subdivisions 10, 10a, 14, 16, and by adding a subdivision; 256.737, subdivisions 1, 1a, 2, and by adding subdivisions; 256.74, subdivision 1; 256.78; and 270B.14, subdivision 1; 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 to 3, delete section 1.

Page 10, line 8, after "*for*" insert "*purposes of*".

Page 10, line 15, delete "*good cause*" and insert ""*good cause*""

Page 29, delete section 20.

Page 29, line 27, delete "*4, 16, and 17*" and insert "*3, 15, and 16*".

Page 29, line 28, delete "*5 to 15*" and insert "*4 to 14*".

Renumber the sections in sequence.

Amend the title as follows:

Page 1, lines 5 and 6, delete "*13.46, subdivision 2;*"

Page 1, line 9, after the second semicolon, insert "*and*".

Page 1, line 10, delete everything before "*proposing*".

And when so amended the bill be re-referred to the Committee on Family Services without recommendation. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 836: A bill for an act relating to agriculture; repealing the dairy unfair trade practices act; imposing an assessment on selected dairy products; changing enforcement procedures; providing for fees; providing penalties; amending Minnesota Statutes 1992, sections 17.982, subdivision 1; 17.983, subdivision 1; 17.984, subdivision 1; and 32.394, subdivisions 8d and 9; proposing coding for new law in Minnesota Statutes, chapter 32; repealing Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.03; 32A.04; 32A.05; 32A.07; 32A.071; 32A.08; and 32A.09.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 13, insert:

“Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 8a. [MILK PREMIUM INFORMATION.] Certain information obtained by the commissioner of agriculture on a manufacturer or wholesaler of dairy products is classified in section 8, subdivision 3.”*

Page 4, line 28, delete “9” and insert “10”

Page 5, line 26, delete “All” and insert “Financial and production”

Page 5, line 27, delete “on” and insert “from” and delete “or” and insert “and”

Page 5, line 28, delete “6 to 9” and insert “7 to 10”

Page 6, line 36, delete “9” and insert “10”

Page 7, lines 1 and 10, delete “9” and insert “10”

Page 7, line 8, delete “12” and insert “13”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after “sections” insert “13.99, by adding a subdivision;”

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 124: A bill for an act relating to local government; permitting the creation of regional public library districts; amending Minnesota Statutes 1992, sections 134.001, by adding a subdivision; and 134.351, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 134.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 9, after “(2)” insert “and with the approval of the board of the regional public library district”

Page 2, lines 10 and 12, delete "system" and insert "district"

Page 2, delete lines 14 to 27 and insert:

"Subd. 4. [BOARD.] (a) If the district is formed under subdivision 2, clause (1), the board of the public regional library district shall be composed of one county commissioner or the commissioner's designee from each county in the district's service area and one elected member from each county for each ten percent or a major fraction of the district's population. A majority of the members of the board must be elected members.

(b) If the district is formed under subdivision 2, clause (2), the board of the regional library district shall be composed of one member elected from each county in the district's service area and one member elected from each county for each ten percent or a major fraction of the district's population.

(c) Elected board members shall be elected at large from a county at a November election. Board members elected shall assume office on the following January 2. The term of a member shall be four years, with the terms of an initial board to expire in two years for one-half of the members. The board shall organize itself under section 134.11, subdivision 1. The board has the powers and duties set forth in section 134.11, subdivision 2."

Page 4, after line 3, insert:

"Sec. 3. Minnesota Statutes 1992, section 134.35, subdivision 1, is amended to read:

Subdivision 1. [GRANT APPLICATION.] Any regional public library system which qualifies according to the provisions of section 134.34 may apply for an annual grant for regional library basic system support. *Regional public library systems may not compensate board members using grant funds.* The amount of each grant for each fiscal year shall be calculated as provided in this section."

Page 4, after line 24, insert:

"Sec. 5. Minnesota Statutes 1992, 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 after November 10 and on or before November 24 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 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 *except for regional library districts established under section 134.201*, 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 current budget and 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.

(d) 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; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) by county, city or town, school district, *regional library district, if in existence*, and the sum of the *remaining* special taxing districts, and as a total of the taxing authorities, including *all* 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. In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; 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.

(e) 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;

(4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(5) any additional amount levied in lieu of a local sales and use tax, unless this amount is included in the proposed or final taxes.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead and the homeowner provides satisfactory documentation to the county assessor that the property is owned and has been used as the owner's homestead prior to June 1 of that year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

Sec. 6. Minnesota Statutes 1992, section 275.065, subdivision 5a, is amended to read:

Subd. 5a. [PUBLIC ADVERTISEMENT.] (a) A city that has a population of more than 1,000, county, or school district, or a regional library district established under section 134.201 shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing. The notice must be published not less than two business days nor more than six business days before the hearing.

For a city that has a population of more than 1,000 but less than 2,500 and for a regional library district, the advertisement must be at least one-eighth page in size of a standard-size or a tabloid-size newspaper. The first headline in the advertisement stating the notice of proposed property taxes and the notice of public hearing must be in a type no smaller than 14-point, and the second headline must be in a type no smaller than 12-point. The text of the advertisement must be no smaller than 10-point, except that the property tax amounts and percentages may be in 9-point type.

For a city that has a population of 2,500 or more, a county or a school district, the first headline in the advertisement stating the notice of proposed property taxes and the notice of public hearing must be in a type no smaller than 30-point, and the second headline must be in a type no smaller than 22-point. The text of the advertisement must be no smaller than 14-point, except that the property tax amounts and percentages may be in 12-point type.

The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

(b) The advertisement must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

“NOTICE OF  
PROPOSED PROPERTY TAXES

(City/County/School District/Regional Library District)

of .....

The governing body of ..... will soon hold budget hearings and vote on the property taxes for (city/county/regional library district) services that will be



provided in 199\_\_ /school district services that will be provided in 199\_\_ and 199\_\_).

#### NOTICE OF PUBLIC HEARING:

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (city/county/school district/*regional library district*) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

(c) A city with a population of 1,000 or less must advertise by posted notice as defined in section 645.12, subdivision 1. The advertisement must be posted at the time provided in paragraph (a). It must be in the form required in paragraph (b).

(d) For purposes of this subdivision, the population of a city is the most recent population as determined by the state demographer under section 4A.02.

Sec. 7. Minnesota Statutes 1992, section 275.065, subdivision 6, is amended to read:

Subd. 6. [PUBLIC HEARING; ADOPTION OF BUDGET AND LEVY.] Between November 29 and December 20, the governing bodies of the city and, county, and *regional library district* 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 review its current budget and 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 property tax levy certified under section 275.07 by a city, county, or school district, or *regional library district* 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 124.82, subdivision 3, 124A.03, subdivision 2, 124B.03, subdivision 2, or 136C.411, after the proposed levy was certified;

(2) the amount of a city or county levy approved by the voters 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;

(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; and

(6) the amount of an increase in levy limits certified to the taxing authority by the ~~commissioner of revenue or the~~ commissioner of education after the proposed levy was certified.

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 of a school district, shall adopt its final property tax levy prior to adopting its final budget.

If the hearing is not completed on its scheduled date, the taxing authority must announce, prior to adjournment of the hearing, the date, time, and place for the continuation of the hearing. The continued hearing must be held at least five business days but no more than 14 business days after the original hearing.

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 governing body of a county shall hold its hearing on the second Tuesday in December each year. The county auditor shall provide for the coordination of hearing dates for all cities and school districts within the county.

By August 15, each school board *and the board of the regional library district* shall certify to the county auditors of the counties in which the school district *or regional library district* is located the dates on which it elects to hold its hearings and any continuations. If a school board *or regional library district* 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 school districts *and regional library district* 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. The city must not select dates that conflict with the county hearing dates or with those elected by or assigned to the school districts *or regional library district* in which the city is located.

The county hearing dates and the city and school district hearing dates must be designated on the notices required under subdivision 3. The continuation dates need not be stated on the notices.

This subdivision does not apply to towns and special taxing districts *except for any regional library district established under section 134.201.*

#### Sec. 8. [EFFECTIVE DATE.]

*Sections 5 and 6 are effective for property taxes levied in 1994, payable in 1995 and thereafter."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "prohibiting use of state department of education funds to compensate regional library board members; requiring library districts to be subject to truth-in-taxation;"

Page 1, line 5, delete "and" and insert "134.35, subdivision 1;" and after "4;" insert "and 275.065, subdivisions 3, 5a, and 6;"

And when so amended the bill do pass and be re-referred to the Committee on Education. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 1421, 996, 35, 386, 560, 1054, 1152, 1281, 1184, 1276, 1175, 67 and 1124 were read the second time.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Berg moved that S.F. No. 104 be withdrawn from the Committee on Taxes and Tax Laws and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

Mr. Solon moved that the name of Mr. Berg be added as a co-author to S.F. No. 975. The motion prevailed.

Ms. Runbeck moved that S.F. No. 1370 be withdrawn from the Committee on Health Care and re-referred to the Committee on Crime Prevention. 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. Benson, D.D. introduced—

S.F. No. 1497: A bill for an act relating to the town of Rock Dell; authorizing adoption and enforcement of the state building code.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Chmielewski, Janezich, Frederickson, Metzen and Dille introduced—

S.F. No. 1498: A bill for an act relating to utilities; deleting a requirement that avoided environmental costs be taken into account when an electric utility purchases power produced by another generator; making environmental costs and other externalities a consideration in a resource plan; authorizing a bidding process for selecting future energy resources that bypasses the certificate of need requirements; allowing consolidation of resource planning and certificate of need proceedings; amending Minnesota Statutes 1992, section 216B.164, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Larson introduced—

S.F. No. 1499: A bill for an act relating to commerce; possessory liens on motor vehicles to secure payment of storage costs; conditioning the lien on notice to lienholders listed on the certificate of title; amending Minnesota Statutes 1992, section 514.18, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Janezich introduced—

S.F. No. 1500: A bill for an act relating to education; providing for skilled school interpreters; proposing coding for new law in Minnesota Statutes, chapter 125.

Referred to the Committee on Education.

Messrs. Stumpf and Moe, R.D. introduced—

S.F. No. 1501: A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders; amending Minnesota Statutes 1992, sections 17.53, subdivisions 2, 8, and 13; 17.59, subdivision 2; and 17.63.

Referred to the Committee on Agriculture and Rural Development.

Mses. Piper and Flynn introduced—

S.F. No. 1502: A bill for an act relating to occupations and professions; board of psychology; extending deadline for previously qualified persons to be licensed; modifying reciprocity requirement; amending Minnesota Statutes 1992, section 148.921, subdivisions 2 and 3.

Referred to the Committee on Health Care.

Mr. Beckman introduced—

S.F. No. 1503: A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; 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.

Referred to the Committee on Crime Prevention.

Mr. Belanger introduced—

S.F. No. 1504: A bill for an act relating to transportation; adopting federal motor carrier safety regulations; defining terms; making technical changes; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on bills of lading and other motor carrier documents; imposing penalties; amending Minnesota Statutes 1992, sections 168.011, subdivision 36; 168.1281, subdivision 3; 169.81, subdivision 2; 221.011, by adding subdivisions; 221.031, subdivisions 2, 2a, 2b, 3, 3a, 3b, 3c, 5, and 6; 221.0313, subdivision 1; 221.033, subdivisions 2 and 2a; 221.035, subdivision 2; 221.036, subdivisions 1 and 3; 221.172; 221.81, subdivision 3e; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Laws 1992, chapter 568, section 1; and 578, section 15.

Referred to the Committee on Transportation and Public Transit.

Mr. Metzen introduced—

S.F. No. 1505: A bill for an act relating to taxation; property; decreasing the class rate on residential nonhomestead and apartment property; amending Minnesota Statutes 1992, sections 273.13, subdivision 25; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Ms. Robertson, Messrs. Terwilliger, Knutson and Ms. Kiscaden introduced—

S.F. No. 1506: A bill for an act relating to elections; providing procedure for precinct caucuses; amending Minnesota Statutes 1992, section 202A.18, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Sams and Ms. Berglin introduced—

S.F. No. 1507: A bill for an act relating to occupations and professions; establishing a system of licensure for acupuncture practitioners; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 148.

Referred to the Committee on Health Care.

Mr. Price introduced—

S.F. No. 1508: A bill for an act relating to highways; requiring designation of certain county state-aid highways as natural preservation routes; providing standards and procedures for reconstruction of those routes; amending Minnesota Statutes 1992, section 162.021, by adding a subdivision.

Referred to the Committee on Transportation and Public Transit.

Mr. Chmielewski introduced—

S.F. No. 1509: A bill for an act relating to state contracts; requiring the metropolitan council, the University of Minnesota, and other agencies to purchase from small businesses and small targeted group businesses; requiring reports; amending Minnesota Statutes 1992, sections 16B.21, subdivision 3; 137.35, subdivision 1; and 473.142.

Referred to the Committee on Governmental Operations and Reform.

Mr. Luther introduced—

S.F. No. 1510: A bill for an act relating to cable communications; limiting cable service franchises to a maximum of seven years; establishing a cable communications task force; amending Minnesota Statutes 1992, section 238.084, subdivision 1.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Luther introduced—

S.F. No. 1511: A bill for an act relating to the legislature; establishing a legislative budget office; appropriating money; amending Minnesota Statutes 1992, section 3.98, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Messrs. Luther and Marty introduced—

S.F. No. 1512: A bill for an act relating to elections; providing uniform local election procedures; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, subdivision 1, and by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 205A.03, subdivisions 1 and 2; 205A.04; 205A.05, subdivision 1; 205A.06, subdivision 1, and by adding a subdivision; 205A.09, subdivision 2; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1992, sections 205.02, subdivision 2; 205.065, subdivision 3; 205.18; 205.20; and 205A.04, subdivision 2.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Samuelson introduced—

S.F. No. 1513: A bill for an act relating to shelters for battered women; transferring the funding and authority for administration of shelter programs to the commissioner of corrections; amending Minnesota Statutes 1992, sections 256.01, subdivision 2; 256D.04; 256D.05, subdivision 1; and 256D.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1992, section 256D.05, subdivisions 3 and 3a.

Referred to the Committee on Family Services.

Mmes. Benson, J.E.; Adkins; Messrs. Stevens and Bertram introduced—

S.F. No. 1514: A bill for an act relating to human services; changing the geographic grouping of Sherburne county.

Referred to the Committee on Health Care.

Mses. Runbeck, Piper, Messrs. Stevens and Day introduced—

S.F. No. 1515: A bill for an act relating to health; regulating health maintenance organizations; requiring coverage for speech apraxia and severe phonological disorder; proposing coding for new law in Minnesota Statutes, chapter 62D.

Referred to the Committee on Commerce and Consumer Protection. Ms. Berglin questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Lessard introduced—

S.F. No. 1516: A bill for an act relating to Voyageurs National Park;

extending the existence of the citizen's council on Voyageurs National Park; amending Minnesota Statutes 1992, section 84B.11, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Mr. Sams introduced—

S.F. No. 1517: A bill for an act relating to taxation; property; modifying the taxation of elevator facilities; amending Minnesota Statutes 1992, section 273.13, subdivision 24.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Morse and Sams introduced—

S.F. No. 1518: A bill for an act relating to retirement; permitting certain public employees to purchase additional service credit in public pension funds; appropriating money.

Referred to the Committee on Governmental Operations and Reform.

Mses. Krentz, Ranum and Robertson introduced—

S.F. No. 1519: A bill for an act relating to education; providing grants for pilot fee assistance programs for school districts with school age child care programs; appropriating money.

Referred to the Committee on Education.

Mses. Krentz and Ranum introduced—

S.F. No. 1520: A bill for an act relating to education; establishing an equalized extended day levy; expanding approved expenditures; appropriating money; amending Minnesota Statutes 1992, section 124.2716.

Referred to the Committee on Education.

Mses. Krentz, Ranum and Mr. Merriam introduced—

S.F. No. 1521: A bill for an act relating to education; providing equalized program revenue for adults with disabilities; amending Minnesota Statutes 1992, sections 121.88, subdivision 7; and 124.2715, subdivisions 1, 2, and 3.

Referred to the Committee on Education.

Mr. Johnson, D.E. introduced—

S.F. No. 1522: A bill for an act relating to state lands; authorizing the transfer of certain state-owned lands to Kandiyohi county.

Referred to the Committee on Environment and Natural Resources.

Mr. Merriam introduced—

S.F. No. 1523: A bill for an act relating to health records; clarifying costs that may be charged; amending Minnesota Statutes 1992, section 144.335, subdivision 5.

Referred to the Committee on Judiciary.

Ms. Hanson introduced—

S.F. No. 1524: A bill for an act relating to traffic regulations; increasing fine for speeding violation; appropriating money for highway work zone safety enforcement and public education efforts; amending Minnesota Statutes 1992, section 169.14, subdivision 5d.

Referred to the Committee on Transportation and Public Transit.

Messrs. Cohen and Pogemiller introduced—

S.F. No. 1525: A bill for an act relating to state government; creating a state board of pension investment; prescribing its powers and duties; transferring authority from the state board of investment; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 18; 11A.01; 11A.02, subdivisions 2 and 4; 11A.04; 11A.041; 11A.07, subdivision 5; 11A.08, subdivisions 1 and 2; 11A.09; 11A.13, subdivision 1; 11A.14, subdivision 3; 79.251, subdivision 7; 352.05; 353.05; 354.06, subdivision 1; 356.218, subdivision 1; 356A.01, subdivision 23; 356A.02, subdivision 1; 356A.11, subdivision 1; 422A.06, subdivision 8; and 490.123, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 11B; repealing Minnesota Statutes 1992, section 11A.14, subdivision 5.

Referred to the Committee on Governmental Operations and Reform.

Mr. Bertram introduced—

S.F. No. 1526: A bill for an act relating to taxation; fermented malt beverages; changing the brewers credit; extending the credit to importers; amending Minnesota Statutes 1992, section 297C.02, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Hottinger introduced—

S.F. No. 1527: A bill for an act relating to the city of Mankato; extending the duration of a tax increment financing district.

Referred to the Committee on Metropolitan and Local Government.

Messrs. Luther and Larson introduced—

S.F. No. 1528: A bill for an act relating to insurance; Medicare supplement; regulating coverages; conforming state law to federal requirements; making technical changes; amending Minnesota Statutes 1992, sections 62A.31, subdivisions 1, 4, and by adding a subdivision; 62A.315; 62A.316; 62A.318; 62A.36, subdivision 1; 62A.39; 62A.436; and 62A.44, subdivision 2; Laws 1992, chapter 554, article 1, section 18.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Solon introduced—

S.F. No. 1529: A bill for an act relating to state lands; requiring St. Louis county to allow a repurchase of certain tax-forfeited land.

Referred to the Committee on Environment and Natural Resources.



**RECESS**

Mr. Moe, R.D. moved that the Senate do now recess until 6:00 p.m. The motion prevailed.

The hour of 6:00 p.m. having arrived, 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.

**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, First Reading of House Bills, Reports of Committees and Second Reading of Senate Bills.

**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. 434, 98, 99 and 313.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 1, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 113, 648 and 661.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 1, 1993

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

H.F. No. 113: A bill for an act relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles; amending Minnesota Statutes 1992, section 169.06, subdivision 6.

Referred to the Committee on Transportation and Public Transit.

H.F. No. 648: A bill for an act relating to counties; permitting Itasca and Polk counties to consolidate the offices of auditor and treasurer.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 638, now on General Orders.

H.F. No. 661: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending

Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

Referred to the Committee on Environment and Natural Resources.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 304: A bill for an act relating to agriculture; requiring aquatic pest control applicators to be licensed; proposing coding for new law in Minnesota Statutes, chapter 18B.

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 1992, section 18B.32, is amended to read:  
18B.32 [STRUCTURAL *OR* AQUATIC PEST CONTROL LICENSE.]

Subdivision 1. [REQUIREMENT.] (a) A person may not engage in structural *or* aquatic pest control applications:

(1) for hire without a structural *pest control license or, for an aquatic pest control application, an aquatic pest control license*; and

(2) as a sole proprietorship, company, partnership, or corporation unless the person is or employs a licensed master in structural pest control operations *or, for an aquatic pest control application, a commercial aquatic applicator*.

(b) A structural *or* aquatic pest control licensee must have a valid license identification card when applying pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The license identification card must contain information required by the commissioner.

Subd. 2. [LICENSESES.] (a) A structural *or* aquatic pest control license:

(1) expires on December 31 of the year for which the license is issued;

(2) is not transferable; and

(3) must be prominently displayed to the public in the structural *or* aquatic pest controller's place of business.

(b) The commissioner shall establish categories of master, journeyman, and fumigator for a person to be licensed under a structural pest control license *and, for an aquatic pest control license, the categories of commercial aquatic applicator and certified aquatic applicator*.

Subd. 3. [APPLICATION.] (a) A person must apply to the commissioner for a structural *or* aquatic pest control license ~~to be licensed as a master,~~

journeyman, or fumigator on forms and in the manner required by the commissioner. The commissioner shall require the applicant to pass a written, closed-book, monitored examination or oral examination, or both, and may also require a practical demonstration regarding structural or aquatic pest control. The commissioner shall establish the examination procedure, including the phases and contents of the examination.

(b) The commissioner may license a person as a master under a structural pest control license or, for aquatic pest control applications, as a commercial aquatic applicator if the person has the necessary qualifications through knowledge and experience to properly plan, determine, and supervise the selection and application of pesticides in structural or aquatic pest control. To demonstrate the qualifications and become licensed as a master under a structural pest control license or, for aquatic pest control applications, as a commercial aquatic applicator, a person must:

- (1) pass closed-book testing administered by the commissioner; and
- (2) by have direct experience as a licensed journeyman under a structural pest control license or, for aquatic pest control applications, by direct experience as a certified aquatic applicator under a commercial aquatic applicator for at least two years by this state or a state with equivalent certification requirements or as a full-time licensed master in another state with equivalent certification requirements or, for aquatic pest control applications, have at least 1,600 hours of qualifying experience in the previous four years as determined by the commissioner; and
- (3) show practical knowledge and field experience under clause (2) in the actual selection and application of pesticides under varying conditions.

(c) The commissioner may license a person as a journeyman under a structural pest control license or, for aquatic pest control applications, as a certified aquatic applicator if the person:

- (1) has the necessary qualifications in the practical selection and application of pesticides;
- (2) has passed a closed-book examination given by the commissioner; and
- (3) is engaged as an employee of or is working under the direction of a person licensed as a master under a structural pest control license or, for aquatic pest control applications, under a commercial aquatic applicator.

(d) The commissioner may license a person as a fumigator under a structural pest control license if the person:

- (1) has knowledge of the practical selection and application of fumigants;
- (2) has passed a closed-book examination given by the commissioner; and
- (3) is licensed by the commissioner as a master or journeyman under a structural pest control license.

(e) The licensing requirements of paragraph (b) for commercial aquatic applicators are satisfied if a person: (1) has at least two years direct experience with an aquatic category endorsement on a commercial applicator license; (2) can show practical knowledge and field experience in the actual selection and application of aquatic pesticides under varying conditions; and

(3) *applies for a license as a commercial aquatic applicator before August 1, 1994.*

Subd. 4. [RENEWAL.] (a) A structural *or aquatic* pest control applicator license may be renewed on or before the expiration of an existing license subject to reexamination, attendance at workshops approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competency and ability to use pesticides safely and properly. The commissioner may require an additional demonstration of applicator qualification if the applicator has had a license suspended or revoked or has otherwise had a history of violations of this chapter.

(b) If a person fails to renew a structural *or aquatic* pest control license within three months of its expiration, the person must obtain a structural *or aquatic* pest control license subject to the requirements, procedures, and fees required for an initial license.

Subd. 5. [FINANCIAL RESPONSIBILITY.] (a) A structural *or aquatic* pest control license may not be issued unless the applicant furnishes proof of financial responsibility. The financial responsibility may be demonstrated by:

(1) proof of net assets equal to or greater than \$50,000; or

(2) a performance bond or insurance of a kind and in an amount determined by the commissioner.

(b) The bond or insurance must cover a period of time at least equal to the term of the applicant's license. The commissioner must immediately suspend the license of a person who fails to maintain the required bond or insurance. The performance bond or insurance policy must contain a provision requiring the insurance or bonding company to notify the commissioner by ten days before the effective date of cancellation, termination, or any other change of the bond or insurance. If there is recovery against the bond or insurance, additional coverage must be secured to maintain financial responsibility equal to the original amount required.

(c) An employee of a licensed person is not required to maintain an insurance policy or bond during the time the employer is maintaining the required insurance or bond.

(d) Applications for reinstatement of a license suspended under the provisions of this section must be accompanied by proof of satisfaction of judgments previously rendered.

Subd. 6. [FEES.] (a) An applicant for a structural pest control license *or aquatic pest control license* for a business must pay a nonrefundable application fee of \$100. An employee of a licensed business must pay a nonrefundable application fee of \$50 for an individual structural *or aquatic* pest control license.

(b) An application received after expiration of the structural pest control license *or aquatic pest control license* is subject to a penalty fee of 50 percent of the application fee.

(c) An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner."

Delete the title and insert:

“A bill for an act relating to agriculture; requiring aquatic pest control applicators to be licensed; establishing categories of commercial aquatic applicator and certified aquatic applicator; amending Minnesota Statutes 1992, section 18B.32.”

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 933: A bill for an act relating to health; requiring radon testing in schools and day cares; requiring a radon mitigation report by the commissioner of health; proposing coding for new law in Minnesota Statutes, chapter 144.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [SCHOOL AND DAY CARE RADON TESTING; EVALUATION AND MITIGATION REPORT.]

*Subdivision 1. [RADON TESTING.] The commissioner of health shall coordinate with the commissioners of human services, education, and jobs and training to administer a school and day care radon testing program. All public and private school buildings housing students in kindergarten through grade 12, all child day care centers licensed under Minnesota Rules, parts 9545.0510 to 9545.0650, and all head start and learning readiness programs must be tested for radon by September 30, 1995. By December 31, 1993, the commissioner of health shall establish technical standards for the radon testing program including quality control and testing protocol. By December 31, 1993, the commissioner of education shall develop and administer a plan for training testers, acquiring test equipment, and distributing the test equipment to all of the facilities required to be tested. Each facility must use appropriate commercial radon testing materials listed by the United States Environmental Protection Agency Radon Measurement Proficiency Program and follow the manufacturer's directions on testing methods and the duration of the test.*

*Subd. 2. [REPORTING.] By December 31, 1995, each facility must report the results to the commissioner of health in a form prescribed by the commissioner. If the facility has already conducted a radon test at its present location, another test does not need to be conducted if the facility reports the results to the commissioner of health. The results from each school tested must also be reported to the school district. A summary of the results of each report must be posted in a conspicuous place of each facility tested except school districts which must report a summary of the results and any mitigation taken in the district's annual program evaluation report.*

*Subd. 3. [NOTICE.] The commissioner of health shall coordinate with the commissioners of human services, education, and jobs and training to provide written notice to each facility under subdivision 1 of the obligation to test for radon. Notice must also be given to each facility encouraging the facility to mitigate any excessive radon level detected. The written notice to schools must*

include the United States Environmental Protection Agency Protocol for Radon testing in schools.

*Subd. 4. [EVALUATION AND MITIGATION REPORT.] By July 1, 1996, the commissioner of health shall report, in coordination with the commissioners of human services, education, and jobs and training, to the legislature with a recommendation for mitigating excessive levels of radon in buildings required to be tested under subdivision 1. The report must summarize available radon testing information reported under subdivision 1, address the need for mitigation, describe appropriate mitigation procedures, estimate mitigation costs, and make recommendations that identify sources of funds for mitigation and apportion public and private responsibility for mitigation costs."*

Delete the title and insert:

"A bill for an act relating to health; requiring radon testing in schools and day cares; requiring a radon mitigation report by the commissioner of health."

And when so amended the bill do pass and be re-referred to the Committee on Education. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 782: A bill for an act relating to health; expanding medical assistance coverage to include nutritional supplementation products; amending Minnesota Statutes 1992, section 256B.0625, subdivision 13.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 911: A bill for an act relating to public employment; essential employees; requiring the commissioner of the bureau of mediation services to designate separate units for peace officers and other essential employees at the request of either group of employees; amending Minnesota Statutes 1992, section 179A.09, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1171: A bill for an act relating to crime; creating a commission on nonfelony enforcement to review the proportionality and enforcement of petty misdemeanor, misdemeanor, and gross misdemeanor offenses; requiring a report.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1101: A bill for an act relating to health-related occupations; requiring hearing instrument dispensers to be certified by the commissioner of health; requiring holders of temporary hearing instrument dispensing permits to be supervised by certified hearing instrument dispensers; authorizing cease and desist orders; providing for penalties; amending Minnesota Statutes 1992, sections 153A.13, subdivisions 4 and 5; 153A.14; 153A.15; and 153A.17; proposing coding for new law in Minnesota Statutes, chapter 214.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, line 17, delete the first "\$200" and insert "\$255"

Page 8, line 18, before the period, insert ", except that the certification application fee for a registered audiologist is \$255 minus the audiologist registration fee of \$101"

Page 10, line 1, delete "or threatened violation"

Page 10, line 12, delete "gross"

And when so amended the bill do pass and be re-referred to the Committee on Health Care. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 803: A bill for an act relating to occupations and professions; abstracters; providing for certain applicants to be exempt from the bond and liability insurance requirement; amending Minnesota Statutes 1992, section 386.66.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 25, delete ", including"

Page 2, line 1, delete "applicants who are employed by" and insert "that are"

Page 2, line 3, after the third comma, insert "and their employees or those"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1380: A bill for an act relating to commerce; regulating heavy and utility equipment dealership agreements; including truck parts within the scope of coverage; defining terms; amending Minnesota Statutes 1992, section 325E.068, subdivision 2, and by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "to" insert "

(1)" and delete "truck"

Page 1, line 13, delete "*parts,*"

Page 1, line 19, strike the second comma

Page 1, strike line 20

Page 1, line 21, strike everything before the period and insert "; or

(2) *trucks and truck parts*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was re-referred

S.F. No. 222: A bill for an act relating to human services; authorizing the Minnesota housing finance agency to finance residential care facilities for elderly or physically infirm or impaired persons; appropriating money; amending Minnesota Statutes 1992, sections 462A.02, by adding a subdivision; 462A.03, subdivisions 7 and 19; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; and 462A.22, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

#### “CHAPTER 144C

##### NURSING FACILITIES FINANCING AUTHORITY

Section 1. [144C.01] [MINNESOTA NURSING FACILITIES FINANCING AUTHORITY ACT.]

*Sections 144C.01 to 144C.14 may be cited as the “Minnesota nursing facilities financing authority act.”*

Sec. 2. [144C.02] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] For the purposes of sections 144C.01 to 144C.14, the terms in this section have the meanings given them.*

*Subd. 2. [AUTHORITY.] “Authority” means the Minnesota nursing facilities financing authority.*

*Subd. 3. [COMMISSIONER.] “Commissioner” means the commissioner of the Minnesota housing finance agency.*

*Subd. 4. [NURSING FACILITY.] “Nursing facility” means a facility licensed under chapter 144A or a boarding care facility licensed under sections 144.50 to 144.56.*

Sec. 3. [144C.03] [MINNESOTA NURSING FACILITIES FINANCING AUTHORITY.]

*Subdivision 1. [MEMBERSHIP.] The Minnesota nursing facilities financing authority is an instrumentality of the state and consists of seven members appointed by the governor with the advice and consent of the senate. No more than three members may reside in the metropolitan area as defined in section 473.121, subdivision 2, and no more than one member may reside in any one*



of the development regions established under sections 462.381 to 462.396 and located outside of the metropolitan area.

*Subd. 2. [CHAIR; OTHER OFFICERS.] The governor shall designate the chair from among the members appointed. The authority may elect other officers as necessary from its members.*

*Subd. 3. [MEMBERSHIP TERMS.] The membership terms, compensation, removal, and filling of vacancies of the members of the authority are as provided in section 15.0575.*

*Subd. 4. [BOARD ACTIONS.] A majority of the authority, excluding vacancies, constitutes a quorum to conduct its business, to exercise its powers, and for all other purposes.*

*Subd. 5. [ADMINISTRATIVE SERVICES.] The commissioner shall provide administrative services to the authority.*

*Subd. 6. [EXECUTIVE DIRECTOR.] The commissioner shall employ, with the concurrence of the authority, an executive director in the unclassified service. The director shall perform duties that the authority may require in carrying out its responsibilities.*

*Subd. 7. [ADVISORY COMMITTEE.] The authority shall establish a five member advisory committee under section 15.059 to review proposals and provide comments and recommendations concerning loans under section 144C.05. The committee consists of the chair of the interagency long-term care planning committee, one representative from each of the two largest long-term health care provider associations in the state, and two consumer representatives. Public members of the committee must be reimbursed for expenses but may not receive any other compensation for services on the committee.*

#### Sec. 4. [144C.04] [GENERAL POWERS.]

*Subdivision 1. [AUTHORIZATION.] The authority may exercise the powers authorized under this section to carry out the purposes of this chapter.*

*Subd. 2. [POWER TO SUE.] The authority may sue and be sued.*

*Subd. 3. [CONTRACTS.] The authority may enter into contracts, agreements, leases, or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association, or organization.*

*Subd. 4. [CONTRACT FOR SERVICES.] The authority may retain or contract for the services of legal counsel, accountants, financial advisors, and other consultants or agents needed to perform its duties and exercise its powers.*

*Subd. 5. [PROPERTY.] The authority may acquire, encumber, hold, and convey through lease, purchase, foreclosure, deed in lieu of foreclosure, gift, or otherwise, any real or personal property.*

*Subd. 6. [SALE OF MORTGAGES.] The authority may sell, at public or private sale, any note, mortgage or other instrument or obligation evidencing or securing a loan, including a certificate evidencing an interest in one or more loans. The authority may, in connection with such a sale, retain the right or obligation to collect the principal and interest on the loan, to enter into*

commitments for timely remittal of the principal and interest, or to provide any other services as described in the certificate.

*Subd. 7. [INSURANCE.] The authority may obtain insurance against any loss in connection with its property in such amounts, and from such insurers, as may be necessary or desirable.*

*Subd. 8. [MODIFICATION OF TERMS.] The authority may consent, whenever it considers it necessary or desirable in the fulfillment of its corporate purpose, to the modification of the rate of interest, time of payment or any installment of principal or interest, or any other term, of any mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the authority is a party.*

*Subd. 9. [RULES.] The authority may adopt rules as provided under chapter 14 to carry out the purposes of this chapter.*

*Subd. 10. [BORROWING MONEY.] The authority may borrow money to carry out and effectuate its corporate purpose and may issue its bonds as evidence of any such borrowing in accordance with sections 144C.05 to 144C.13.*

*Subd. 11. [IN GENERAL.] The authority has all the powers necessary and convenient to carry out its duties under sections 144C.05 to 144C.13.*

#### Sec. 5. [144C.05] [LOANS BY AUTHORITY.]

*Subdivision 1. [LOANS AND LOAN PURCHASES.] The authority may make or purchase secured or unsecured loans to owners of nursing facilities to finance the construction, alteration, reconstruction, remodeling, repair, extension, improvement, or acquisition of nursing facilities or to refinance existing indebtedness incurred for the purpose of acquiring, rehabilitating, or constructing nursing facilities. A loan may include interest paid during and up to six months after construction, costs of financing, and costs to fund a debt service reserve. Each loan must be evidenced by a promissory note or loan agreement which includes provisions that the authority considers necessary or desirable and in which the borrower is obligated to:*

*(1) repay the loan in amounts and at times sufficient to pay the principal of, premium, if any, and interest on bonds issued by the authority to fund the loan;*

*(2) pay all costs and expenses of the authority incurred in connection with making, purchasing, and administering the loan; and*

*(3) indemnify the authority against any liability in connection with the loan.*

*The authority may pledge or assign all or part of its interest in a promissory note or loan agreement, and property or an interest in property of the borrower securing the note or loan agreement, to secure the bonds of the authority issued to fund the loan in whole or in part.*

*Subd. 2. [FINANCIAL INFORMATION.] Financial information, including but not limited to credit reports, financial statements, and net worth calculations, received or prepared by the authority regarding any authority loan and the name of each individual who is the recipient of an authority loan are private data on individuals, as provided under section 13.02, subdivision 12.*

#### Sec. 6. [144C.06] [ISSUANCE OF BONDS.]

*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 \$.....*

*Subd. 2. [REFUNDING OF BONDS.] The authority may issue bonds to refund outstanding bonds of the authority or by a municipality or other public body for a purpose for which the authority may make or purchase a loan under section 5, to pay any redemption premiums on those bonds, and to pay interest accrued or to accrue to the redemption date as determined by the authority. The authority may apply the proceeds of any refunding bonds to the purchase or payment at maturity of the bonds to be refunded, or to the redemption of outstanding bonds and may, pending the application, place the proceeds in escrow to be applied to the purchase, retirement, or redemption. Pending use, escrowed proceeds may be invested and reinvested in obligations issued or guaranteed by the state or the United States or by any agency or instrumentality of the state or the United States, or in certificates of deposit or time deposits secured in a manner determined by the authority, maturing at a time appropriate to assure the prompt payment of the principal and interest and redemption premiums, if any, on the bonds to be refunded. The income realized on any investment may also be applied to the payment of the bonds to be refunded. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the authority for use by it in any lawful manner. All refunding bonds issued under this subdivision must be issued and secured in the manner provided by resolution of the authority.*

*Subd. 3. [KIND OF BONDS.] Bonds issued under this section are securities as defined in section 336.8-102 and may be issued as certificated securities or as uncertificated securities. Certificated securities may be issued in bearer or registered form. The authority may perform all actions that are permitted or required of issuers of securities under sections 336.8-101 to 336.8-408. If notes or bonds are issued as uncertificated securities, and this chapter or other law requires or permits the bonds to contain a statement or recital, whether on their face or otherwise, it is sufficient compliance with the law that the statement or recital is contained in the transaction statement or in a resolution or other instrument that is made part of the bond by reference in the transaction statement as provided in section 336.8-202. The bonds issued may be either general obligations of the authority, secured by its full faith and credit and payable out of any money, assets, or revenues of the authority, subject to the provisions of resolutions or indenture pledging and appropriating particular money, assets, or revenues to particular bonds, or limited obligations of the authority not secured by its full faith and credit and payable solely from specified sources or assets.*

*Subd. 4. [RESOLUTION AND TERMS OF SALE.] The bonds of the authority must be authorized by a resolution or resolutions adopted by the authority. The bonds must bear the date or dates, mature at the time or times,*

bear interest at a fixed or variable rate, including a rate varying periodically at the time or times and on the terms determined by the authority, or any combination of fixed and variable rates, be in the denominations, be in the form, carry the registration privileges, be executed in the manner, be payable in lawful money of the United States, at the place or places within or without the state, and be subject to the terms of redemption or purchase before maturity as the resolutions provide or as may be provided in an indenture or indentures of trust. The authority may appoint a bank, within or without the state, having trust powers as trustee for bond issues. If, for any reason existing at the date of issue of the bonds or existing at the date of making or purchasing any loan or securities from the proceeds or after that date, the interest on the bonds is or becomes subject to federal income taxation, this fact does not affect the validity or the provisions made for the security of the bonds. The authority may make covenants and take or have taken actions that are in its judgment necessary or desirable to comply with conditions established by federal law or regulations for the exemption of interest on its obligations. The authority may refrain from compliance with those conditions if in its judgment this would serve the purposes and policies set forth in this chapter with respect to any particular issue of bonds, unless this would violate covenants made by the authority. The maximum maturity of a bond, whether or not issued for the purpose of refunding, must be 50 years from its date. The bonds of the authority may be sold at public or private sale, at a price or prices determined by the authority; provided that (i) the aggregate price at which an issue of bonds is initially offered by underwriters to investors, as stated in the authority's official statement with respect to the offering, must not exceed by more than three percent the aggregate price paid by the underwriters to the authority at the time of delivery; (ii) the commission paid by the authority to an underwriter for placing an issue of bonds with investors must not exceed three percent of the aggregate price at which the issue is offered to investors as stated in the authority's offering statement; and (iii) the spread or commission must be an amount determined by the authority to be reasonable in the light of the risk assumed and the expenses of issuance, if any, required to be paid by the underwriters.

Subd. 5. [EXEMPTION.] The notes and bonds of the authority are not subject to section 16B.06.

Sec. 7. [144C.07] [BONDS; OPTIONAL RESOLUTION AND CONTRACT PROVISIONS.]

Subdivision 1. [RESOLUTION.] A resolution authorizing bonds or an issue of bonds may contain provisions, which are part of the contract with the holders of the bonds, as to the matters referred to in this section.

Subd. 2. [LIEN.] The authority may pledge or create a lien on all or any part of the money or property of the authority and any money held in trust or otherwise by others to secure the payment of the bonds or of an issue of the bonds, subject to agreements with bondholders that may exist.

Subd. 3. [MONEY.] The authority may provide for the custody, collection, securing, investment, and payment of any money of the authority.

Subd. 4. [RESERVES.] The authority may set aside reserves or sinking funds and provide for their regulation and disposition and may create other special funds into which money of the authority may be deposited.

Subd. 5. [BOND PROCEEDS AND PAYMENT.] *The authority may limit the loans and securities to which the proceeds of sale of bonds may be applied and may pledge repayments to secure the payment of the bonds or of an issue of bonds.*

Subd. 6. [ADDITIONAL LIMITS.] *The authority may limit the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding or other bonds.*

Subd. 7. [CONTRACT AMENDMENTS.] *The authority may prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent to, and the manner in which the consent may be given.*

Subd. 8. [TRUSTEE.] *The authority may vest in a trustee or trustees such property, rights, powers and duties in trust as the authority may determine, which may include any or all of the rights, powers, and duties of the bondholders, or may limit the rights, powers, and duties of the trustee.*

Subd. 9. [DEFAULT.] *The authority may define the acts or omissions to act which constitute a default in the obligations and duties of the authority and may provide for the rights and remedies of the holders of bonds in the event of default, and provide any other matters of like or different character, consistent with the general laws of the state and other provisions of this chapter, which in any way affect the security or protection of the bonds and the rights of the holders of the bonds.*

#### Sec. 8. [144C.08] [DEBT SERVICE RESERVE FUND.]

Subdivision 1. [CREATION AND CONTENTS.] *The authority may establish one or more special funds, to be known as debt service reserve funds, for the security of one or more or all series of its bonds. The authority may pay into each debt service reserve fund:*

- (1) *any money appropriated by the state only for the purposes of the fund;*
- (2) *the proceeds of sale of bonds to the extent provided in the resolution or indenture authorizing the issuance of them;*
- (3) *funds directed to be transferred by the authority to the debt service reserve fund; and*
- (4) *other money made available to the authority from any other source only for the purpose of the fund.*

Subd. 2. [USE OF FUNDS.] *Except as provided in this section, the money credited to each debt service reserve fund must be used only for the payment of the principal of bonds of the authority as they mature, the purchase of the bonds, the payment of interest on them, or the payment of any premium required when the bonds are redeemed before maturity. Money in a debt service reserve fund must not be withdrawn at a time and in an amount that reduces the amount of the fund to less than the amount the authority determines to be reasonably necessary for the purposes of the fund. However, money may be withdrawn to pay principal or interest due on bonds secured by the fund if other money of the authority is not available.*

Subd. 3. [INVESTMENT.] *Money in a debt service reserve fund not required for immediate use may be invested and deposited into accounts established under resolutions or indentures securing the authority's bonds in*

investments and deposit accounts or certificates, and with security, agreed upon with the holders or a trustee for the holders.

*Subd. 4. [MINIMUM AMOUNT OF RESERVE AT ISSUANCE.] If the authority establishes a debt service reserve fund for the security of any series of bonds, it shall not issue additional bonds that are similarly secured if the amount of any of the debt service reserve funds at the time of issuance does not equal or exceed the minimum amount required by the resolution creating the fund, unless the authority deposits in each fund at the time of issuance, from the proceeds of the bonds, or otherwise, an amount that when added together with the amount then in the fund will be at least the minimum amount required.*

*Subd. 5. [TRANSFER OF EXCESS.] To the extent consistent with the resolutions and indentures securing outstanding bonds, the authority may transfer to any other fund or account from any debt service reserve fund any excess in that reserve fund over the amount determined by the authority to be reasonably necessary for the purpose of the reserve fund.*

**Sec. 9. [144C.09] [MONEY OF THE AUTHORITY.]**

*Subdivision 1. [FUNCTIONS OF STATE TREASURER.] Except as otherwise provided in this section, money of the authority must be paid to the state treasurer as agent of the authority and the treasurer shall not commingle the money with other money. The money in the accounts of the authority must be paid out only on warrants drawn by the commissioner of finance on requisition of the chair of the authority or of another officer or employee as the authority authorizes. Deposits of the authority's money must, if required by the state treasurer or the authority, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give security for the deposits.*

*Subd. 2. [CONTRACTS AND SECURITY.] Notwithstanding the provisions of this section, the authority may contract with the holders of any of its bonds as to the custody, collection, securing, investment, and payment of money of the authority or money held in trust or otherwise for the payment of bonds, and to carry out the contract. Money held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of the money may be secured in the same manner as money of the authority, and all banks and trust companies are authorized to give security for the deposits. All money paid to the state treasurer as agent of the authority is appropriated to the authority.*

**Sec. 10. [144C.10] [NONLIABILITY.]**

*Subdivision 1. [NONLIABILITY OF INDIVIDUALS.] No member of the authority or other person executing the bonds is liable personally on the bonds or is subject to any personal liability or accountability by reason of their issuance.*

*Subd. 2. [NONLIABILITY OF STATE.] The state is not liable on bonds of the authority issued under this chapter and those bonds are not a debt of the state. The bonds must contain on their face a statement to that effect.*

**Sec. 11. [144C.11] [PURCHASE AND CANCELLATION BY AUTHORITY.]**

*Subject to agreements with bondholders that may then exist, the authority may purchase out of funds available for the purpose, bonds of the authority which shall then be canceled, at a price not exceeding the following amounts:*

*(1) if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date of the bonds; or*

*(2) if the bonds are not redeemable, the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption plus accrued interest to that date.*

**Sec. 12. [144C.12] [STATE PLEDGE AGAINST IMPAIRMENT OF CONTRACTS.]**

*The state pledges and agrees with the holders of bonds issued under sections 144C.05 to 144C.14 that the state will not limit or alter the rights vested in the authority to fulfill the terms of any agreements made with the bondholders or in any way impair the rights and remedies of the holders until the bonds, together with interest on them, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the bondholders; are fully met and discharged. The authority may include this pledge and agreement of the state in any agreement with the holders of bonds issued under sections 144C.05 to 144C.13.*

**Sec. 13. [144C.13] [RESERVES; FUNDS; ACCOUNTS.]**

*The authority may establish reserves, funds, or accounts necessary to carry out the purposes of the authority or to comply with any agreement made by or any resolution passed by the authority.*

**Sec. 14. [144C.14] [ANNUAL REPORT.]**

*The commissioner shall annually report to the chair of the senate finance committee, the house ways and means committee, and the appropriate policy committees of the house of representatives and senate on the financial activity of the authority.*

**Sec. 15. [APPROPRIATION.]**

*\$. . . . . is appropriated from the general fund to the nursing facilities authority for the purposes of sections 144C.01 to 144C.14. The approved complement of the authority is six full-time equivalent positions."*

Delete the title and insert:

*"A bill for an act relating to human services; creating the nursing facilities financing authority to finance residential care facilities for elderly or physically infirm or impaired persons; authorizing bonds; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 144C."*

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1188: A bill for an act relating to child labor; changing penalty

provisions of the child labor law; amending Minnesota Statutes 1992, section 181A.12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, delete "*serious*" and insert "*substantial*" and after "*harm*" insert "*as defined in section 609.02, subdivision 7a,*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1209: A bill for an act relating to weights and measures; authorizing the commissioner of public service to set fees without rulemaking; setting fees to cover costs of inspections; appropriating money; amending Minnesota Statutes 1992, section 239.10; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1992, sections 239.52; and 239.78.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 2, delete "*deemed*"

Page 2, line 7, delete everything after "*program*" and insert "*according to this section.*"

Page 2, delete lines 8 to 10

Page 2, line 15, delete "*Money*" and insert "*Fees*"

Page 2, line 23, delete "*first*"

Page 3, line 3, after "*not*" insert "*a rule*"

Page 3, line 4, delete everything after "*14*" and insert a period

Page 3, delete line 5

Page 3, line 6, delete "*are adjusted,*"

Page 3, line 11, delete from "*The*" through page 3, line 13, to "*3.*"

Page 3, line 16, after "*increase*" insert "*from the legislature*"

Page 3, line 17, delete "*Overhead costs and*"

Page 3, line 19, after "*3*" insert "*, including related overhead costs,*" and delete "*included*"

Page 3, line 20, delete "*in the costs to be*"

Page 3, after line 20, insert:

"Sec. 3. Minnesota Statutes 1992, section 239.791, subdivision 6, is amended to read:

Subd. 6. [OXYGENATE RECORDS; SELF AUDITS.] A registered oxygenate blender shall ~~commission an attestation engagement performed by a certified public accountant~~ *audit records to investigate demonstrate* compli-



ance with this section and with EPA oxygenated fuel requirements. The audit report, including the cumulative record of gasoline oxygenate blends, must be submitted to the director, as prescribed by the director, within 120 days after the end of each carbon monoxide control period.

Sec. 4. Minnesota Statutes 1992, section 239.791, subdivision 8, is amended to read:

Subd. 8. [DISCLOSURE.] A person responsible for the product who delivers, distributes, sells, or offers to sell gasoline in a carbon monoxide control area, during a carbon monoxide control period, shall provide, at the time of delivery, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest *must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate."* For nonoxygenated gasoline, the bill or manifest must state: "This fuel must not be sold at retail or used in a carbon monoxide control area." This subdivision does not apply to sales or transfers of gasoline when the gasoline is dispensed into the supply tanks of motor vehicles."

Page 3, line 28, delete "239.52" and insert "239.05, subdivision 2c; 239.52;"

Page 3, after line 29, insert:

"Sec. 7. [EFFECTIVE DATE.]

*Section 3 is effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the first semicolon, insert "regulating oxygenated gasoline records;"

Page 1, line 6, delete "section 239.10" and insert "sections 239.10; and 239.791, subdivisions 6 and 8"

Page 1, line 8, after "sections" insert "239.05, subdivision 2c;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 610: A bill for an act relating to economic development; adding the executive director of the higher education coordinating board to the Minnesota job skills partnership board; authorizing the use by the job skills partnership board of funds from any source for grants and dissemination of information; amending Minnesota Statutes 1992, sections 116L.03, subdivisions 1 and 2; and 116L.05, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 1, line 20, delete the new language

Page 1, line 21, delete the new language and strike "chancellor of"

Page 1, line 22, strike "the technical college system" and insert "*executive director of the higher education coordinating board*"

Page 2, line 3, delete "2" and insert "1"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 8, delete everything after the second comma and insert "subdivision 2;"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1089: A bill for an act relating to agriculture; grain marketing; providing wheat protein premiums equivalent to discounts; amending Minnesota Statutes 1992, sections 17B.02, subdivisions 3a and 5; and 17B.0451, subdivision 10, 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. [WHEAT PRICE STUDY.]

*Subdivision 1. [CREATION.] A task force is created to study the current use of protein and foreign matter premiums and dockage for wheat. The task force shall consist of but not be limited to representatives of the department of agriculture working in consultation with the University of Minnesota and the staff of the senate and house of representatives.*

*Subd. 2. [DUTIES.] The task force shall conduct a study of the legitimacy and appropriateness of the current use of protein and foreign matter premiums and dockage for wheat, and address the following issues:*

*(1) whether the equipment at county elevators and at regional terminals is sufficiently sophisticated and adequately maintained for accurate, reliable evaluation of the factors that determine wheat price;*

*(2) whether grain tested at regional terminals consistently tests lower in protein and higher in undesirable foreign content than the same grain tested elsewhere;*

*(3) the costs and benefits and feasibility of requiring purchasers of wheat to provide discounts for wheat that falls below the standard for protein content to offer an equal or greater premium per wheat that has a higher protein content than the standard; and*

*(4) evaluate the appropriateness of the effective date of Minnesota Statutes, section 17B.0451.*

*Subd. 3. [REPORT.] The task force shall submit a written report containing its recommendations and findings to the legislature by January 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to agriculture; creating a wheat price task force."*

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was re-referred

S.F. No. 1363: A bill for an act relating to natural resources; amending requirements to mitigate wetlands; adding exemptions; extending interim rules; amending Minnesota Statutes 1992, sections 103G.222; 103G.2241; 103G.2242, subdivisions 1 and 2; 103G.2369, subdivision 2; and Laws 1991, chapter 354, article 7, section 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. [103G.2215] [APPLICATION TO COUNTIES; DESIGNATION; GOALS; REPORTS.]**

*Subdivision 1. [DESIGNATION.] (a) Sections 103G.222 to 103G.2372 and rules adopted under those sections apply only in counties designated by the board under this subdivision. The board must designate a county that:*

*(1) fails to meet the goal in subdivision 2, paragraph (a);*

*(2) contains less than 80 percent of its presettlement wetland acreage, as determined by the board; or*

*(3) files with the board a resolution adopted by the county board requesting the designation.*

*(b) A designation under paragraph (a) becomes effective on April 1 of the year following the year for which a condition in paragraph (a) is satisfied and continues in effect until released by the board. At least 30 days before the effective date of a designation or release of a designation, the board must notify all towns and cities within the county and publish a notice of the designation or release in a newspaper of general circulation within the county.*

*(c) The board may only release the designation of a county if:*

*(1) for counties designated under paragraph (a), clause (1), the board determines that there are adequate measures in place to meet the goal in subdivision 2, paragraph (a);*

*(2) for counties designated under paragraph (a), clause (2), the board determines that the county has achieved a level of wetland acreage equal to or greater than 80 percent of the presettlement wetland acreage; or*

*(3) for other counties, the county files with the board a resolution adopted by the county board requesting release of the designation.*

*Subd. 2. [COUNTY GOALS; REPORTS.] (a) Except as provided in paragraph (c), each county shall have the goal of a net gain or no net loss in the quantity, quality, and biological diversity of wetlands in the county. Each county shall develop and implement, or require political subdivisions in the county to develop and implement, programs, practices, and methods to meet this goal.*

*(b) Except as provided in paragraph (c), by February 1 each year counties shall provide the board with a report on the status of the quantity, quality, acreage, types, and public value of wetlands in the county. The report must itemize any changes in the wetlands base during the previous calendar year and state whether the goal in paragraph (a) was achieved.*

*(c) This subdivision does not apply to counties in which 80 percent or more of the presettlement wetland acreage is intact.*

**Sec. 2. [103G.2217] [INCREASE IN WETLANDS IN CERTAIN COUNTIES.]**

*(a) By January 1, 1997, counties in which, as of January 1, 1992, less than ten percent of the presettlement wetland acreage was intact shall achieve an increase of one-half percent in their wetland acreage, as determined by the board. Beginning in 1997, these counties shall achieve an additional one-half percent increase in wetland acreage each year until a level equal to ten percent of the presettlement wetland acreage in the county is achieved.*

*(b) A county is no longer subject to this section when the board certifies that the county has achieved a level of wetland acreage equal to ten percent of the presettlement wetland acreage.*

**Sec. 3. Minnesota Statutes 1992, section 103G.222, is amended to read:**

**103G.222 [REPLACEMENT OF WETLANDS.]**

*(a) In counties that are designated by the board under section 103G.2215, subdivision 1, after the effective date of the rules adopted under section 103B.3355 or 103G.2242, whichever is later, wetlands must not be drained or filled, wholly or partially, unless replaced by restoring or creating wetland areas of at least equal public value under either a replacement plan approved as provided in section 103G.2242 or, if a permit to mine is required under section 93.481, under a mining reclamation plan approved by the commissioner under the permit to mine. Mining reclamation plans shall apply the same principles and standards for replacing wetlands by restoration or creation of wetland areas that are applicable to mitigation plans approved as provided in section 103G.2242.*

*(b) Replacement must be guided by the following principles in descending order of priority:*

*(1) avoiding the direct or indirect impact of the activity that may destroy or diminish the wetland;*

*(2) minimizing the impact by limiting the degree or magnitude of the wetland activity and its implementation;*

*(3) rectifying the impact by repairing, rehabilitating, or restoring the affected wetland environment;*

(4) reducing or eliminating the impact over time by preservation and maintenance operations during the life of the activity; and

(5) compensating for the impact by replacing or providing substitute wetland resources or environments.

(c) If a wetland is located in a cultivated field, then replacement must be accomplished through restoration only without regard to the priority order in paragraph (b), provided that a deed restriction is placed on the altered wetland prohibiting nonagricultural use for at least ten years.

(d) Restoration and replacement of wetlands must be accomplished in accordance with the ecology of the landscape area affected.

(e) Replacement shall be within the same watershed or county as the impacted wetlands, as based on the wetland evaluation in section 103G.2242, subdivision 2, except that counties or watersheds in which 80 percent or more of the presettlement wetland acreage is intact may accomplish replacement in counties or watersheds in which 50 percent or more of the presettlement wetland acreage has been filled, drained, or otherwise degraded. Wetlands impacted by public transportation projects may be replaced statewide, provided they are approved by the commissioner under an established wetland banking system, or under the rules for wetland banking as provided for under section 103G.2242.

~~(f) For a wetland located on nonagricultural land, replacement must be in the ratio of two acres of replaced wetland for each acre of drained or filled wetland.~~

~~(g) For a wetland located on agricultural land, Replacement must be in the ratio of one acre of replaced wetland for each acre of drained or filled wetland.~~

~~(h) (g) Wetlands that are restored or created as a result of an approved replacement plan are subject to the provisions of this section for any subsequent drainage or filling.~~

~~(h) For the purposes of sections 103G.222 to 103G.2373, "agricultural land" means land devoted to production of horticultural, row, close grown, introduced pasture, and introduced hayland crops; pasturing of livestock and dairy animals; growing nursery stocks; and operation of animal feedlots. Agricultural land includes contiguous land and buildings under the same ownership associated with the activities in the preceding sentence.~~

Sec. 4. Minnesota Statutes 1992, section 103G.2241, is amended to read:

103G.2241 [EXEMPTIONS.]

~~Subdivision 1. [EXEMPTIONS.]~~ (a) Subject to the conditions in paragraph (b), a replacement plan for wetlands is not required for:

(1) activities in a wetland that was planted with annually seeded crops, was in a crop rotation seeding of pasture grasses or legumes, or was required to be set aside to receive price support or other payments under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to January 1, 1991;

(2) activities in a wetland that is or has been enrolled in the federal conservation reserve program under United States Code, title 16, section 3831, that:

(i) was planted with annually seeded crops, was in a crop rotation seeding, or was required to be set aside to receive price support or payment under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to being enrolled in the program; and

(ii) has not been restored with assistance from a public or private wetland restoration program;

(3) activities necessary to repair and maintain existing public or private drainage systems as long as wetlands that have been in existence for more than 20 years are not drained;

(4) activities in a wetland that has received a commenced drainage determination provided for by the federal Food Security Act of 1985, that was made to the county agricultural stabilization and conservation service office prior to September 19, 1988, and a ruling and any subsequent appeals or reviews have determined that drainage of the wetland had been commenced prior to December 23, 1985;

(5) activities exempted from federal regulation under United States Code, title 33, section 1344(f);

(6) activities authorized under, and conducted in accordance with, an applicable general permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, except the nationwide permit in Code of Federal Regulations, title 33, section 330.5, paragraph (a), clause (14), limited to when a new road crosses a wetland, and all of clause (26);

(7) activities in a type 1 wetland on agricultural land, as defined in United States Fish and Wildlife Circular No. 39 (1971 edition) except for bottomland hardwood type 1 wetlands;

(8) activities in a type 2 wetland that is two acres in size or less located on agricultural land;

(9) activities in a wetland restored for conservation purposes under a contract or easement providing the landowner with the right to drain the restored wetland;

(10) activities in a wetland created solely as a result of:

(i) beaver dam construction;

(ii) blockage of culverts through roadways maintained by a public or private entity;

(iii) actions by public entities that were taken for a purpose other than creating the wetland; or

(iv) any combination of (i) to (iii);

(11) placement, maintenance, repair, enhancement, or replacement of utility or utility-type service, including the transmission, distribution, or furnishing, at wholesale or retail, of natural or-manufactured gas, electricity, telephone, or radio service or communications if:

(i) the impacts of the proposed project on the hydrologic and biological characteristics of the wetland have been avoided and minimized to the extent possible; and

(ii) the proposed project significantly modifies or alters less than one-half acre of wetlands;

(12) activities associated with routine maintenance of utility and pipeline rights-of-way; ~~provided the activities do not result in additional intrusion into the wetland;~~

(13) alteration of a wetland associated with the operation, maintenance, or repair of an interstate pipeline;

(14) temporarily crossing or entering a wetland to perform silvicultural activities, including timber harvest as part of a forest management activity, so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the activities do not result in the construction of dikes, drainage ditches, tile lines, or buildings; and the timber harvesting and other silvicultural practices do not result in the drainage of the wetland or public waters;

(15) permanent access for forest roads across wetlands so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the construction activities do not result in the access becoming a dike, drainage ditch or tile line; with filling avoided wherever possible; and there is no drainage of the wetland or public waters;

(16) activities associated with routine maintenance *or repair* of existing public highways, roads, streets, and bridges, provided the activities do not result in additional intrusion into the wetland ~~and do not result in the draining or filling, wholly or partially, of a wetland outside of the existing right-of-way;~~

(17) emergency repair and normal maintenance and repair of existing public works; ~~provided the activity does not result in additional intrusion of the public works into the wetland and do not result in the draining or filling, wholly or partially, of a wetland;~~

(18) normal maintenance and minor repair of structures ~~causing no additional intrusion of an existing structure into the wetland,~~ and maintenance and repair of private crossings ~~that do not result in the draining or filling, wholly or partially, of a wetland;~~

(19) duck blinds;

(20) aquaculture activities, ~~except building or altering of docks and activities involving the draining or filling, wholly or partially, of a wetland including pond excavation and construction and maintenance of associated access roads and dikes authorized under, and conducted in accordance with, a permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, but not including construction or expansion of buildings;~~

(21) wild rice production activities, including necessary diking and other activities authorized under a permit issued by the United State Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344;

(22) normal agricultural practices to control pests or weeds, defined by rule as either noxious or secondary weeds, in accordance with applicable requirements under state and federal law, including established best management practices;

(23) activities in a wetland that is on agricultural land annually enrolled in the federal Food, Agricultural, Conservation, and Trade Act of 1990, United States Code, title 16, section 3821, subsection (a), clauses (1) to (3), as amended, and is subject to sections 1421 to 1424 of the federal act in effect on January 1, 1991, except that land enrolled in a federal farm program is eligible for easement participation for those acres not already compensated under a federal program;

(24) development projects and ditch improvement projects in the state that have received preliminary or final plat approval, or infrastructure that has been installed, or having local site plan approval, conditional use permits, or similar official approval by a governing body or government agency, within five years before July 1, 1991. In the seven-county metropolitan area and in cities of the first and second class, plat approval must be preliminary as approved by the appropriate governing body; and

(25) activities that result in the draining or filling of less than one-half of an acre of wetlands in a year, provided that the activity may not result in the draining or filling over time of more than 25 percent of a wetland's area.

(b) A person conducting an activity in a wetland under an exemption in paragraph (a) shall ensure that:

(1) appropriate erosion control measures are taken to prevent sedimentation of the water;

(2) the activity does not block fish passage in a watercourse; and

(3) the activity is conducted in compliance with all other applicable federal, state, and local requirements, including best management practices and water resource protection requirements established under chapter 103H.

Sec. 5. Minnesota Statutes 1992, section 103G.2242, subdivision 1, is amended to read:

Subdivision 1. [RULES.] (a) By July 1, 1993, the board, in consultation with the commissioner, shall adopt rules governing the approval of wetland value replacement plans under this section. These rules must address the criteria, procedure, timing, and location of acceptable replacement of wetland values; may address the state establishment and administration of a wetland banking program for public and private projects, which may include provisions allowing monetary payment to the wetland banking program for alteration of wetlands on agricultural land; the methodology to be used in identifying and evaluating wetland functions; the administrative, monitoring, and enforcement procedures to be used; and a procedure for the review and appeal of decisions under this section. In the case of peatlands, the replacement plan rules must consider the impact on carbon balance described in the report required by Laws 1990, chapter 587, and include the planting of trees or shrubs.

(b) *The rules are effective January 1, 1994.*

(c) After the ~~adoption~~ effective date of the rules, a replacement plan must be approved by a resolution of the governing body of the local government unit, consistent with the provisions of the rules.

(~~e~~) (d) If the local government unit fails to apply the rules, the government unit is subject to penalty as determined by the board.



Sec. 6. Minnesota Statutes 1992, section 103G.2242, subdivision 2, is amended to read:

Subd. 2. [EVALUATION.] Questions concerning the public value, location, size, or type of a wetland shall be submitted to and determined by a technical evaluation panel after an on-site inspection. The technical evaluation panel shall be composed of a technical professional employee of the board, a technical professional employee of the local soil and water conservation district or districts, and an engineer for the local government unit. *The local government unit may appoint to the panel an additional representative with technical expertise in water resources management.* The panel shall use the "Federal Manual for Identifying and Delineating Jurisdictional Wetlands" (January 1989). The panel shall provide the wetland determination to the local government unit that must approve a replacement plan under this section, and may recommend approval or denial of the plan. The authority must consider and include the decision of the technical evaluation panel in their approval or denial of a plan.

Sec. 7. Minnesota Statutes 1992, section 103G.2369, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED ACTIVITIES.] (a) Except as provided in subdivision 3, until ~~July January 1, 1993~~ 1994, a person may not drain, burn, or fill a wetland.

(b) Except as provided in subdivision 3, until ~~July January 1, 1993~~ 1994, a state agency or local unit of government may not issue a permit for an activity prohibited in paragraph (a) or for an activity that would include an activity prohibited in paragraph (a).

Sec. 8. Minnesota Statutes 1992, section 103G.2369, is amended by adding a subdivision to read:

*Subd. 4a. [APPEAL OF CERTIFICATION DECISIONS.] An affected person may appeal a certification decision under subdivision 3, clause (3), to the board under sections 103A.301 to 103A.341.*

Sec. 9. Laws 1991, chapter 354, article 7, section 2, is amended to read:

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1992, and is repealed ~~July January 1, 1993~~ 1994.

Sec. 10. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to natural resources; amending requirements to replace wetlands; adding exemptions; increasing wetland acreage in certain counties; extending interim rules; amending Minnesota Statutes 1992, sections 103G.222; 103G.2241; 103G.2242, subdivisions 1 and 2; and 103G.2369, subdivision 2; and by adding a subdivision; Laws 1991, chapter 354, article 7, section 2; proposing coding for new law in Minnesota Statutes, chapter 103G."

And when so amended the bill do pass and be re-referred to the Committee

on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 1202: A bill for an act relating to elections; designating judicial seats by number or position, rather than by the name of the incumbent; amending Minnesota Statutes 1992, section 204B.36, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 1081: A bill for an act relating to the metropolitan council; redrawing the boundaries of council districts; amending Minnesota Statutes 1992, sections 473.123, subdivision 3a, and by adding a subdivision; 473.141, subdivisions 2 and 4a; 473.373, subdivision 4a; 473.604, subdivision 1; and 473.703, subdivisions 1 and 2; repealing Minnesota Statutes 1992, section 473.123, subdivision 3b.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1148: A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 25 to 29, reinstate the stricken language

Page 2, line 30, reinstate the stricken language and before the reinstated period, insert "*or may grant a permit authorizing the transportation of empty trailers that exceed 28-1/2 feet from a point of manufacture in the state to the state border*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was re-referred

S.F. No. 657: A bill for an act relating to compulsive gambling; providing for a compulsive gambling surtax; establishing a compulsive gambling account; requesting contributions from the Minnesota Indian gaming association for compulsive gambling programs; appropriating money; amending Minnesota Statutes 1992, sections 245.98, by adding a subdivision; 349.212, subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete “.074” and insert “.0074”

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 Care, to which was referred

S.F. No. 1324: A bill for an act relating to human services; adding an exception to group residential housing rate; amending Minnesota Statutes 1992, section 256I.03, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 34: A bill for an act relating to children; requiring background checks on foreign exchange host families; amending Minnesota Statutes 1992, section 245A.03, 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. [5A.01] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] The definitions in this section apply to this chapter.*

*Subd. 2. [INTERNATIONAL STUDENT EXCHANGE VISITOR PLACE- ORGANIZATION; ORGANIZATION.] “International student exchange visitor placement organization” or “organization” means a person, partnership, corporation, or other entity that regularly arranges the placement of international student exchange visitors for the purpose, in whole or in part, of allowing the student an opportunity to attend school in the United States.*

*Subd. 3. [INTERNATIONAL STUDENT EXCHANGE VISITOR; STU- DENT.] “International student exchange visitor” or “student” means a person 18 years of age or under, or up to age 21 if enrolled or to be enrolled in high school in this state, placed by an international student exchange visitor placement organization, who enters the United States with a nonim- migrant visa.*

Sec. 2. [5A.02] [ORGANIZATION REGISTRATION.]

*(a) All international student exchange visitor placement organizations that place students in schools in the state shall register with the secretary of state.*

*(b) Failure to register is a violation of this chapter.*

*(c) Information provided to the secretary of state under this chapter is a public record.*

*(d) Registration must not be considered or be represented as an endorse- ment of the organization by the secretary of state or the state of Minnesota.*

Sec. 3. [5A.03] [ORGANIZATION APPLICATION FOR REGISTRATION.]

*(a) An application for registration as an international student exchange visitor placement organization must be submitted in the form prescribed by the secretary of state. The application must include:*

*(1) evidence that the organization meets the standards established by the secretary of state by rule;*

*(2) the name, address, and telephone number of the organization, its chief executive officer, and the person within the organization who has primary responsibility for supervising placements within the state;*

*(3) the organization's unified business identification number, if any;*

*(4) the organization's United States Information Agency number, if any;*

*(5) evidence of Council on Standards for International Educational Travel listing, if any;*

*(6) whether the organization is exempt from federal income tax; and*

*(7) a list of the organization's placements in Minnesota for the previous academic year including the number of students placed, their home countries, the school districts in which they were placed, and the length of their placements.*

*(b) The application must be signed by the chief executive officer of the organization and the person within the organization who has primary responsibility for supervising placements within Minnesota. If the secretary of state determines that the application is complete, the secretary of state shall file the application and the applicant is registered.*

*(c) International student exchange visitor placement organizations that have registered shall inform the secretary of state of any changes in the information required under paragraph (a), clause (1), within 30 days of the change.*

*(d) Registration under this chapter is valid for one year. The registration may be renewed annually.*

Sec. 4. [5A.04] [RULES.]

*(a) The secretary of state shall adopt by rule standards for international student exchange visitor placement organizations. In adopting the rules, the secretary of state shall strive to adopt standards established by the United States Information Agency and the Council on Standards for International Educational Travel and strive to achieve uniformity with national standards. The secretary of state may incorporate standards established by the United States Information Agency or the Council on Standards for International Educational Travel by reference and may accept an organization's designation by the United States Information Agency or acceptance for listing by the Council on Standards for International Educational Travel as evidence of compliance with the standards.*

*(b) The secretary of state may adopt rules as necessary to carry out its duties under this chapter. The rules may provide for a reasonable registration fee not to exceed \$50 to defray the costs of processing registrations.*

(c) *The rules of the secretary of state adopted under this section must include a requirement that an international student exchange visitor placement organization's application form for participation as a host family must include a signed waiver giving the organization permission to conduct a background check, if the organization considers it necessary, on members of the host family, conducted as specified in sections 299C.60 to 299C.64, except that the background check must also determine whether the subject of the check has been convicted of any felony.*

**Sec. 5. [5A.05] [INFORMATIONAL DOCUMENT.]**

*International student exchange organizations that have agreed to provide services to place students in the state shall provide an informational document in English, to each student, host family, and superintendent of the school district in which the student is being placed. The document must be provided before placement and must include the following:*

(1) *an explanation of the services to be performed by the organization for the student, host family, and school district;*

(2) *a summary of this chapter prepared by the secretary of state; and*

(3) *telephone numbers that the student, host family, and school district may call for assistance. The telephone numbers shall include, at minimum, an in-state telephone number for the organization, and the telephone numbers of the organization's national headquarters, if any, the United States Information Agency, and the office of the secretary of state.*

**Sec. 6. [5A.06] [COMPLAINTS.]**

*The secretary of state may, upon receipt of a complaint regarding an international student exchange organization, report the matter to the organization involved, the United States Information Agency, or the Council on Standards for International Educational Travel, as the secretary of state considers appropriate.*

**Sec. 7. [5A.07] [VIOLATIONS; MISDEMEANOR.]**

*A person who violates this chapter or who willfully and knowingly gives false or incorrect information to the secretary of state, attorney general, or county prosecuting attorney in filing statements required by this chapter, whether or not the statement or report is verified, is guilty of a misdemeanor.*

**Sec. 8. [5A.08] [SEVERABILITY.]**

*If any provision of this chapter or its application to a person or circumstance is held invalid, the remainder of the chapter or the application of the provision to other persons or circumstances is not affected.*

Delete the title and insert:

“A bill for an act relating to student exchange programs; regulating student exchange programs; imposing a penalty; proposing coding for new law as Minnesota Statutes, chapter 5A.”

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 782, 911, 1171, 803, 1380, 1188, 1202, 1081, 1148 and 1324 were read the second time.

**MOTIONS AND RESOLUTIONS – CONTINUED**

Mr. Kelly moved that the names of Ms. Pappas, Mr. Cohen and Ms. Anderson be added as co-authors to S.F. No. 262. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Ms. Piper be added as a co-author to S.F. No. 698. The motion prevailed.

Mr. Cohen moved that the names of Mses. Pappas, Anderson and Mr. Kelly be added as co-authors to S.F. No. 741. The motion prevailed.

Mr. Dille moved that his name be stricken as chief author, shown as a co-author and the name of Mr. Stevens be added as chief author to S.F. No. 894. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Kelly be added as a co-author to S.F. No. 1434. The motion prevailed.

Mr. Luther moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Marty be shown as chief author to S.F. No. 152. The motion prevailed.

Mr. Moe, R.D. moved that his name be stricken as a co-author to S.F. No. 152. The motion prevailed.

Mr. Marty moved that the name of Mr. Johnson, D.J. be added as a co-author to S.F. No. 152. The motion prevailed.

Mr. Chmielewski moved that S.F. No. 1153 be withdrawn from the Committee on Commerce and Consumer Protection and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Ms. Berglin moved that S.F. No. 1324, on General Orders, be stricken and re-referred to the Committee on Health Care. 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. Johnson, D.J.; Mses. Reichgott, Pappas and Mr. Kelly introduced—

S.F. No. 1530: A bill for an act relating to taxation; reducing the class rates applicable to nonhomestead residential property; providing that HACA payments are not adjusted to compensate for the change in net tax capacity; amending Minnesota Statutes 1992, sections 237.13, subdivision 25; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Sams introduced—

S.F. No. 1531: A bill for an act relating to elections; requiring publication and posting of notice of filing dates by county auditors; amending Minnesota Statutes 1992, section 204B.33.

Referred to the Committee on Ethics and Campaign Reform.

Mr. Novak introduced—

S.F. No. 1532: A bill for an act relating to landlord and tenant; restricting recovery if tenant owes rent; modifying owner's obligation to furnish rent certificate; allowing recovery under parol leases; allowing expedited proceedings; imposing penalties; amending Minnesota Statutes 1992, sections 290A.19; 504.02, subdivision 1, and by adding a subdivision; 566.03, by adding a subdivision; and 566.06; proposing coding for new law in Minnesota Statutes, chapters 290A; 504; and 566.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Frederickson introduced—

S.F. No. 1533: A bill for an act relating to education; clarifying which cooperating districts are eligible to levy for severance and allowing certain districts to levy for severance; amending Minnesota Statutes 1992, section 124.2725, subdivision 15.

Referred to the Committee on Education.

Mr. Solon introduced—

S.F. No. 1534: A bill for an act relating to commerce; regulating late fees charged by wire communication companies; proposing coding for new law in Minnesota Statutes, chapter 238.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Wiener, Messrs. Stumpf and Murphy introduced—

S.F. No. 1535: A bill for an act relating to education; providing for the licensing and oversight of private business, trade, and correspondence schools by the higher education coordinating board; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 141; repealing Minnesota Statutes 1992, sections 141.21; 141.22; 141.23; 141.25; 141.26; 141.271; 141.28; 141.29; 141.30; 141.31; 141.32; 141.33; 141.34; 141.35; and 141.36.

Referred to the Committee on Education.

Mrs. Benson, J.E. introduced—

S.F. No. 1536: A bill for an act relating to liquor; issuance of off-sale licenses in adjoining counties; amending Minnesota Statutes 1992, section 340A.412, subdivision 3.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Cohen introduced—

S.F. No. 1537: A bill for an act relating to motor vehicles; authorizing issuance of special arts license plates; creating special account for the arts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 168.

Referred to the Committee on Transportation and Public Transit.

Mr. Bertram introduced—

S.F. No. 1538: A bill for an act relating to education; authorizing a fund transfer for independent school district No. 750, Rocori area schools.

Referred to the Committee on Education.

Mr. Metzen introduced—

S.F. No. 1539: A bill for an act relating to taxation; property; reducing the class rates for noncommercial seasonal recreational residential property; amending Minnesota Statutes 1992, sections 273.13, subdivision 25; and 273.1398, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

#### MEMBERS EXCUSED

Mr. Riveness, Mrs. Adkins, Mses. Johnson, J.B. and Reichgott were excused from the Session of today from 8:30 to 9:00 a.m.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 10:00 a.m., Monday, April 5, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



## THIRTIETH DAY

St. Paul, Minnesota, Monday, April 5, 1993

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. Ronald Huberty.

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	Dille	Knutson	Moe, R.D.	Reichgott
Anderson	Finn	Krentz	Mondale	Riveness
Beckman	Flynn	Kroening	Morse	Robertson
Belanger	Frederickson	Laidig	Murphy	Runbeck
Benson, D.D.	Hanson	Langseth	Neuville	Sams
Benson, J.E.	Hottinger	Larson	Novak	Samuelson
Berg	Janezich	Lesewski	Oliver	Solon
Bertram	Johnson, D.E.	Lessard	Olson	Spear
Betzold	Johnson, D.J.	Luther	Pariseau	Stevens
Chandler	Johnson, J.B.	Marty	Piper	Stumpf
Chmielewski	Johnston	McGowan	Pogemiller	Terwilliger
Cohen	Kelly	Merriam	Price	Vickerman
Day	Kiscadeni	Metzen	Ranum	Wiener

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

March 30, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993

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 1993	Date Filed 1993
19		11	4:52 p.m. March 29	March 29

Sincerely,  
Joan Anderson Growe  
Secretary of State

March 31, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 282.

Warmest regards,  
Arne H. Carlson, Governor

April 1, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	97	12	Approved w/o signature	March 31
	358	13	3:38 p.m. March 31	March 31
	29	14	3:34 p.m. March 31	March 31
282		20	3:36 p.m. March 31	March 31

Sincerely,  
Joan Anderson Growe  
Secretary of State

### REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1333: A bill for an act relating to insurance; regulating minimum loss ratios for noncomprehensive policies; amending Minnesota Statutes 1992, section 62A.135.

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 1992, section 62A.135, is amended to read:

62A.135 [NONCOMPREHENSIVE POLICIES; MINIMUM LOSS RATIOS.]

(a) This section applies to individual or group policies, certificates, or other evidence of coverage ~~designed primarily in which 50 percent or more of the total benefits are intended to provide coverage for hospital or medical expenses on a per diem, fixed indemnity, or nonexpense incurred basis offered, issued, or renewed, to provide coverage to a Minnesota resident.~~

(b) Notwithstanding section 62A.02, subdivision 3, relating to loss ratios, policies must return to Minnesota policyholders in the form of aggregate benefits under the policy, for each year, on the basis of incurred claims experience and earned premiums in Minnesota and in accordance with accepted actuarial principles and practices:

(1) at least 75 percent of the aggregate amount of premiums earned in the case of group policies; and

(2) at least 65 60 percent of the aggregate amount of premiums earned in the case of individual policies.

(c) An insurer may only issue or renew an individual policy on a guaranteed renewable or noncancelable basis.

(d) Noncomprehensive policies, certificates, or other evidence of coverage subject to the provisions of this section are also subject to the requirements, penalties, and remedies applicable to medicare supplement policies, as set forth in section 62A.36, subdivisions 1a, 1b, and 2.

The first supplement to the annual statement required to be filed pursuant to this paragraph must be for the annual statement required to be submitted on or after January 1, 1993.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 296: A bill for an act relating to human services; requiring parent's social security numbers on birth certificates; modifying various child support provisions; amending Minnesota Statutes 1992, sections 144.215, by adding a subdivision; 518.551, subdivisions 5 and 7; 518.611, subdivisions 1, 2, 4, 6, and by adding a subdivision; and 518.613, subdivisions 2, 3, and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9, insert:

“Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 29a. [BIRTH CERTIFICATES; SOCIAL SECURITY NUMBERS.] Social security numbers provided by parents to the office of vital statistics are classified under section 2.”*

Page 1, line 17, after “(b)” insert “*The social security numbers are private data on individuals, as defined in section 13.02, subdivision 12, but*”

Page 1, line 18, delete “*records of parent name and*” and delete “*only*”

Page 1, line 20, delete “*by the public authority*”

Pages 1 and 2, delete section 2 and insert:

“Sec. 3. Minnesota Statutes 1992, section 518.551, subdivision 7, is amended to read:

*Subd. 7. [SERVICE FEE.] When the public agency responsible for child support enforcement provides child support collection services either to a public assistance recipient or to a party who does not receive public assistance, the public agency may upon written notice to the obligor charge a monthly collection fee equivalent to the full monthly cost to the county of providing collection services, in addition to the amount of the child support which was ordered by the court. The fee shall be deposited in the county general fund. The service fee assessed is limited to ten percent of the monthly court ordered child support and shall not be assessed to obligors who are current in payment of the monthly court ordered child support. An application fee not to exceed \$25 shall be paid by ~~the person~~ *an obligee* who applies for child support and maintenance collection services, except ~~persons who transfer when the obligee transfers~~ *from public assistance to nonpublic assistance status. The fee must be added to the child support obligation of the obligor and paid to the obligee from the first child support payment recovered by the public authority. If automatic income withholding is implemented, the application fee must be added to the first withholding, in addition to the amount of child support or maintenance that is withheld.* Fees assessed by state and federal tax agencies for collection of overdue support owed to or on behalf of a person not receiving public assistance must be imposed on the person for whom these services are provided.*

However, the limitations of this subdivision on the assessment of fees shall not apply to the extent inconsistent with the requirements of federal law for receiving funds for the programs under Title IV-A and Title IV-D of the Social Security Act, United States Code, title 42, sections 601 to 613 and United States Code, title 42, sections 651 to 662.”

Page 8, line 26, delete “*from*”

Page 8, delete line 27

Page 8, line 28, delete “*family*”

Page 13, line 22, delete everything after “*court*”

Page 13, line 23, delete everything before the period

Page 13, line 27, delete “7” and insert “8”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "on" and insert "at" and delete "certificates"

Page 1, line 5, after "sections" insert "13.99, by adding a subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Family Services. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 697: A bill for an act relating to water; requiring criteria for water deficiency declarations; prohibiting the use of groundwater for surface water level maintenance; requiring review of water appropriation permits; requiring contingency planning for water shortages; changing water appropriation permit requirements; requiring changes to the metropolitan area water supply plan; requiring reports to the legislature; amending Minnesota Statutes 1992, sections 103G.261; 103G.265, subdivision 3; 103G.271, subdivision 7, and by adding subdivisions; 103G.291, by adding a subdivision; 103G.301, subdivision 1; 115.03, subdivision 1; 473.156, subdivision 1; 473.175, subdivision 1; 473.851; and 473.859, subdivisions 3, 4, and by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1167: A bill for an act relating to the city of Minneapolis; extending authority to guarantee certain loans; amending Laws 1988, chapter 594, section 6, as amended.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1336: A bill for an act relating to the city of Duluth; authorizing the establishment of a special service district in the city; authorizing provision of special services in the district; providing for the levy and collection of special service charges.

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.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1400: A bill for an act relating to Nobles county; permitting the consolidation of the offices of auditor and treasurer.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, after "*county*" insert "*or Murray county*"

Page 1, line 7, after "*treasurer*" insert "*in its respective county*"

Page 1, line 15, after "*of*" insert "*Nobles county or Murray county*"

Page 1, line 21, after "*The*" insert "*Nobles county or Murray*"

Page 1, line 23, delete the second "*the*" and insert "*its respective*"

Page 2, line 4, delete "*15*" and insert "*10*"

Page 2, line 10, after "*effect*" insert "*in its respective county*"

Page 2, line 11, after "*board*" insert "*or the Murray county board*"

Amend the title as follows:

Page 1, line 2, delete "*county*" and insert "*and Murray counties*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 443: A bill for an act relating to housing; establishing a human services enterprise zone demonstration project; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1; line 11, after "*must*" insert "*design a program to*"

Page 1, line 21, after the comma, insert "*school districts, post-secondary education institutions,*" and after "*providers*" insert "*including representatives of organized labor*"

Page 2, line 5, delete "*results*" and insert "*implementation*"

And when so amended the bill do pass and be re-referred to the Committee on Family Services. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 338: A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 22, after "*adopt*" insert "*bylaws and*"

Page 5, line 19, after "*is*" insert "*created*"

Page 6, line 20, delete "*Minnesota Business Finance, Inc.*" and insert "*the Minnesota business finance account*"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1403: A bill for an act relating to utilities; expanding duties of chair of public utilities commission; amending Minnesota Statutes 1992, section 216A.03, subdivision 3a.

Reports the same back with the recommendation that the bill be re-referred to the Committee on Governmental Operations and Reform without recommendation. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1472: A bill for an act relating to economic development; limiting certain daily payments; amending Minnesota Statutes 1992, section 469.011, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 162: A bill for an act relating to retirement; increasing the individual retirement account plans employer contribution rate; permitting certain persons to have employer contributions transferred from the teachers retirement association to the individual retirement account plan; amending Minnesota Statutes 1992, sections 354B.04, subdivisions 1 and 2; and 354B.05, subdivision 1; and Laws 1990, chapter 570, article 3, section 11; proposing coding for new law in Minnesota Statutes; chapter 354B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete sections 3 and 4

Page 3, delete section 6

Page 3, line 29, delete "5" and insert "3" and delete "*Section 6 is*"

Page 3, delete lines 30 to 35

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 4 to 6

Page 1, line 7, delete "sections" and insert "section"

Page 1, line 8, delete "and 354B.05, subdivision 1; and"

Page 1, delete line 9

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1151: A bill for an act relating to retirement; public employees retirement association; authorizing repayment of refund and payment of contributions by members and retirees of the St. Paul supervisors' organization; mandating certain payment by the city of St. Paul.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 11 and 12, delete "or any law to the contrary,"

Page 1, lines 13 and 20, after "1990" insert a comma

Page 1, line 24, after "1992" insert a comma

Page 1, line 25, delete "on that amount which is" and insert "must be based on an amount equal to"

Page 2, line 14, after "1990" insert a comma

Page 2, line 17, after "1992" insert a comma

Page 2, delete lines 21 to 24 and insert:

*"(b) Payment for the total amount under this subdivision, shall not exceed \$14,000 and must be made in a lump sum within 30 days after ratification by the city of St. Paul.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective upon ratification by resolution of the city of St. Paul and compliance with Minnesota Statutes, section 645.021."*

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. 648 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.
648	638				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 648 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 648 and insert the language after the enacting clause of S.F. No. 638; further, delete the title of H.F. No. 648 and insert the title of S.F. No. 638.

And when so amended H.F. No. 648 will be identical to S.F. No. 638, and



further recommends that H.F. No. 648 be given its second reading and substituted for S.F. No. 638, 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. 1333, 697, 1167, 1400 and 1472 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 648 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Spear moved that the name of Mr. Marty be added as a co-author to S.F. No. 1085. The motion prevailed.

Mr. Merriam moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Spear be shown as chief author to S.F. No. 1332. The motion prevailed.

Ms. Piper moved that the name of Mr. Finn be added as a co-author to S.F. No. 1468. The motion prevailed.

Mr. Morse moved that the name of Mr. Finn be added as a co-author to S.F. No. 1471. The motion prevailed.

Ms. Krentz moved that the name of Ms. Reichgott be added as a co-author to S.F. No. 1520. The motion prevailed.

Ms. Krentz moved that the names of Messrs. Johnson, D.J. and Knutson be added as co-authors to S.F. No. 1521. The motion prevailed.

### CALENDAR

H.F. No. 233: A bill for an act relating to the military; clarifying the use by the governor of the military forces; amending Minnesota Statutes 1992, section 190.02.

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 61 and nays 0; as follows:

Those who voted in the affirmative were:

Adkins	Day	Johnston	Lessard	Novak
Anderson	Dille	Kelly	Luther	Oliver
Beckman	Finn	Kiscaden	Marty	Olson
Belanger	Flynn	Knutson	McGowan	Pariseau
Benson, D.D.	Frederickson	Krentz	Merriam	Piper
Benson, J.E.	Hanson	Kroening	Metzen	Pogemiller
Berg	Hottinger	Laidig	Mondale	Price
Bertram	Janezich	Langseth	Morse	Ranum
Betzold	Johnson, D.J.	Larson	Murphy	Reichgott
Chandler	Johnson, J.B.	Lesewski	Neuville	Riveness

Robertson	Samuelson	Spear	Stumpf	Vickerman
Runbeck	Solon	Stevens	Terwilliger	Wiener
Sams				

So the bill passed and its title was agreed to.

S.F. No. 568: A bill for an act relating to insurance; nonprofit health service plan corporations; regulating investments; amending Minnesota Statutes 1992, section 62C.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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Laidig	Neuville	Sams
Anderson	Flynn	Langseth	Novak	Samuelson
Beckman	Frederickson	Larson	Oliver	Solon
Belanger	Hanson	Lesewski	Olson	Spear
Benson, D.D.	Hottinger	Lessard	Pariseau	Stevens
Benson, J.E.	Janezich	Luther	Piper	Stumpf
Berg	Johnson, D.J.	Marty	Pogemiller	Terwilliger
Bertram	Johnson, J.B.	McGowan	Price	Vickerman
Betzold	Johnston	Merriam	Ranum	Wiener
Chandler	Kelly	Metzen	Reichgott	
Chmielewski	Kiscaden	Mondale	Riveness	
Day	Krentz	Morse	Robertson	
Dille	Kroening	Murphy	Runbeck	

So the bill passed and its title was agreed to.

S.F. No. 33: A bill for an act relating to crime prevention; clarifying and expanding the scope of harassment and stalking crimes; increasing penalties for harassment and stalking; increasing to a gross misdemeanor the penalty for subsequent violations of orders for protection issued because of harassment; regulating data on harassment offender for purpose of mental health assessment; requiring training for judges, prosecutors, and peace officers concerning harassment and stalking; providing for notice to harassment victims of release of alleged offender from incarceration; allowing arrest on probable cause of alleged harassment offenders; requiring prosecutors to notify harassment victims of decision not to prosecute; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 480.30; 609.605; 609.713, by adding a subdivision; 609.748, subdivisions 6, 8, and by adding a subdivision; 609.79, subdivision 1; 609.795, subdivision 1; 611A.031; 611A.0315; 626.8451, subdivision 1a; 629.34, subdivision 1; and 629.342; proposing coding for new law in Minnesota Statutes, chapters 609; 611A; and 629; repealing Minnesota Statutes 1992, sections 609.02, subdivisions 12 and 13; 609.605, subdivision 3; 609.746, subdivisions 2 and 3; 609.747; 609.79, subdivision 1a; and 609.795, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Belanger	Berg	Chandler	Finn
Anderson	Benson, D.D.	Bertram	Day	Flynn
Beckman	Benson, J.E.	Betzold	Dille	Frederickson

Hanson	Kroening	Metzen	Pogemiller	Spear
Hottinger	Laidig	Mondale	Price	Stevens
Janezich	Langseth	Morse	Ranum	Stumpf
Johnson, D.J.	Larson	Murphy	Reichgott	Terwilliger
Johnson, J.B.	Lesewski	Neuville	Riveness	Vickerman
Johnston	Lessard	Novak	Robertson	Wiener
Kelly	Luther	Oliver	Runbeck	
Kiscaden	Marty	Olson	Sams	
Knutson	McGowan	Pariseau	Samuelson	
Krentz	Merriam	Piper	Solon	

So the bill passed and its title was agreed to.

S.F. No. 5: A bill for an act relating to game and fish; extending the permissible period for the open season on raccoon; amending Minnesota Statutes 1992, section 97B.621, 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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Flynn	Langseth	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pariseau	Stevens
Berg	Janezich	Luther	Piper	Stumpf
Bertram	Johnson, D.J.	Marty	Pogemiller	Terwilliger
Betzold	Johnson, J.B.	McGowan	Price	Vickerman
Chandler	Johnston	Merriam	Ranum	Wiener
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 484: A bill for an act allowing residents under the age of 16 to take deer of either sex until December 31, 1995; amending Minnesota Statutes 1992, section 97B.301, 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 1, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Kroening	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Frederickson	Langseth	Novak	Samuelson
Belanger	Hanson	Larson	Oliver	Solon
Benson, D.D.	Hottinger	Lesewski	Olson	Spear
Benson, J.E.	Janezich	Lessard	Pariseau	Stevens
Berg	Johnson, D.J.	Luther	Piper	Stumpf
Bertram	Johnson, J.B.	Marty	Pogemiller	Terwilliger
Betzold	Johnston	McGowan	Price	Vickerman
Chandler	Kelly	Merriam	Ranum	Wiener
Chmielewski	Kiscaden	Metzen	Reichgott	
Cohen	Knutson	Mondale	Riveness	
Day	Krentz	Morse	Robertson	

Ms. Flynn voted in the negative.

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 996: A bill for an act relating to weights and measures; correcting name of accountant's organization; amending Minnesota Statutes 1992, section 239.05, subdivision 2c.

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	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pariseau	Stevens
Bertram	Johnson, D.J.	Luther	Piper	Stumpf
Betzold	Johnson, J.B.	Marty	Pogemiller	Terwilliger
Chandler	Johnston	McGowan	Price	Vickerman
Chmielewski	Kelly	Merriam	Ranum	Wiener
Cohen	Kiscaden	Metzen	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 67: A bill for an act relating to crime; clarifying the application of the tolling provision in the law governing criminal statutes of limitations; amending Minnesota Statutes 1992, section 628.26.

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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pariseau	Stevens
Berg	Janezich	Luther	Piper	Stumpf
Bertram	Johnson, D.J.	Marty	Pogemiller	Terwilliger
Betzold	Johnson, J.B.	McGowan	Price	Vickerman
Chandler	Johnston	Merriam	Ranum	Wiener
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Samuelson in the chair.

After some time spent therein, the committee arose, and Mr. Samuelson reported that the committee had considered the following:

S.F. Nos. 270, 700, 250, 174, 748, 498, 670, 512, 589, 485, 394, 663, 582, 361, 409, 629, 821, 406, 452 and H.F. Nos. 111, 254, which the committee recommends to pass.

H.F. No. 399, which the committee recommends to pass, subject to the following motion:

Ms. Wiener moved that the amendment made to H.F. No. 399 by the Committee on Rules and Administration in the report adopted March 29, 1993, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 431, which the committee recommends to pass with the following amendment offered by Mr. Hottinger:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1992, section 15.17, subdivision 1, is amended to read:

Subdivision 1. [MUST BE KEPT.] All officers and agencies of the state, counties, cities, towns, school districts, municipal subdivisions or corporations, or other public authorities or political entities within the state, hereinafter “public officer,” shall make and preserve all records necessary to a full and accurate knowledge of their official activities. All government records shall be made on a physical medium of a quality to insure permanent records. Every public officer is empowered to reproduce records if the records are not deemed to be of permanent or archival value by the commissioner of administration and the records disposition panel under section 138.17. The public officer is empowered to reproduce these records by any photographic, photostatic, microphotographic, optical disk imaging system, microfilming, or other reproduction method that clearly and accurately reproduces the records. If a record is deemed to be of permanent or archival value, any reproduction of the record must meet archival standards specified by the Minnesota historical society *provided, however, that this section does not prohibit the use of non-erasable optical imaging systems for the preservation of archival records without the preservation of paper or microfilm copies.* Each public officer may order that those photographs, photostats, microphotographs, microfilms, optical disk images, or other reproductions, be substituted for the originals of them. The public officer may direct the destruction or sale for salvage or other disposition of the originals from which they were made, in accordance with the disposition requirements of section 138.17. Photographs, photostats, microphotographs, microfilms, optical disk images, or other reproductions are for all purposes deemed the original recording of the papers, books, documents, and records reproduced when so ordered by any public officer and are admissible as evidence in all courts and proceedings of every kind. A facsimile or exemplified or certified copy of a photograph, photostat, microphotograph, microfilm, optical disk image, or other reproduction, or an enlargement or reduction of it, has the same effect and weight as evidence as would a certified or exemplified copy of the original.

Sec. 2. Minnesota Statutes 1992, section 138.17, is amended by adding a subdivision to read:

*Subd. 10. [OPTICAL IMAGE STORAGE.] (a) Any government record, including a record with archival value, may be transferred to and stored on a non-erasable optical imaging system and retained only in that format, if the requirements of this section are met.*

*(b) All documents preserved on non-erasable optical imaging systems must meet standards for permanent records specified in section 15.17, subdivision 1, and must be kept available for retrieval so long as any law requires. Standards under section 15.17, subdivision 1, may not be inconsistent with efficient use of optical imaging systems.*

*(c) A government entity storing a record on an optical imaging system shall create and store a backup copy of the record at a site other than the site where the original is kept. The government entity shall retain the backup copy and operable retrieval equipment so long as any law requires the original to be retained. The backup copy required by this paragraph must be preserved either (1) on a non-erasable optical imaging system; or (2) by another reproduction method approved by the records disposition panel.*

*(d) A contract between the government entity responsible for preserving records and the vendor of the optical imaging system used to preserve records of that government entity must require the vendor to maintain a current copy of the vendor's source code for the imaging system in escrow, and to authorize the government entity to obtain the copy of the source code if the vendor is unable or unwilling to support the optical imaging system."*

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections"

The motion prevailed. So the amendment was adopted.

H.F. No. 552, which the committee recommends to pass with the following amendments offered by Mr. Spear:

Amend H.F. No. 552, as amended pursuant to Rule 49, adopted by the Senate March 31, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 440.)

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1992, section 580.032, subdivision 1, as amended by Laws 1993, chapter 6, section 3, is amended to read:

Subdivision 1. [FILING REQUEST FOR NOTICE.] A person having a redeemable interest in real property under section 580.23 or 580.24, may file for record a request for notice of a mortgage foreclosure by advertisement with the county recorder or registrar of titles of the county where the property is located. To be effective for purposes of this section, a request for notice must be filed for record as a separate and distinct document, ~~or may be incorporated in~~ *except a mechanic's lien statement filed for record pursuant to section 514.08; also constitutes a request for notice if the mechanic's lien statement includes a request for notice and includes legal description of the real property and the name and mailing address of the person requesting notice mechanic's lien claimant."*

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Spear then moved to amend H.F. No. 552, as amended pursuant to Rule 49, adopted by the Senate March 31, 1993, as follows:

(The text of the amended House File is identical to S.F. No. 440.)

Page 7, line 25, delete "*and until*"

Page 7, line 26, delete everything before "*time*" and insert "*including during the period of*" and delete "*or*"

Page 7, line 27, delete "*reinstatement*"

Page 8, after line 2, insert:

"Sec. 12. [EFFECTIVE DATE.]

*Section 10 is effective August 1, 1993, and applies to crimes committed on or after that date.*"

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "modifying criminal liability for defeating security on realty;"

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, the Senate reverted to the Orders of Business of Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

#### 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. 813. The motion prevailed.

Mr. Metzger from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 867: A bill for an act relating to motor vehicles; establishing automobile theft prevention program and creating board; increasing penalty for falsely reporting crime; amending Minnesota Statutes 1992, section 609.505; proposing coding for new law in Minnesota Statutes, chapter 168A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 1, line 13, delete "CREATED" and insert "MEMBERSHIP"

Page 1, line 14, delete everything after "*board*"

Page 1, delete line 15 and insert "*consists*"

Page 1, line 21, delete everything after the period and insert "*The board is*

*governed by section 15.0575 except that the terms of the members are two years."*

Page 1, delete lines 22 to 25

Page 3, line 15, delete "*Beginning January 1, 1994,*"

Page 3, line 18, delete "*motor*"

Page 3, line 20, delete "*shall*" and insert "*may*"

Page 3, line 23, delete "*shall*" and insert "*must*"

Page 3, line 28, before the period, insert "*, except that no vehicle with a gross vehicle weight in excess of 10,000 pounds is included within this definition*"

Page 3, line 30, delete "*created*" and insert "*an account*"

Page 4, after line 6, insert:

"Sec. 3. [INITIAL TERMS.]

*Notwithstanding section 1, subdivision 1, in making the initial appointments to the board established by that subdivision the governor shall appoint four members to two-year terms and three members to one-year terms.*

Sec. 4. [COMMENCEMENT OF SURCHARGE.]

*Each insurer governed by section 1, subdivision 3, shall begin to collect and remit the surcharge required by that subdivision on January 1, 1994."*

Page 4, line 8, delete "2" and insert "1"

Page 4, line 10, delete "3" and insert "2"

Page 4, line 11, delete "*Section 2 is*" and insert "*Sections 1, 3, and 4 are*"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1194: A bill for an act relating to taxation; property; providing that certain special taxing districts are subject to the truth in taxation provisions; amending Minnesota Statutes 1992, sections 275.065, subdivisions 3, 5a, and 6; and 276.04, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 5, delete "*transit commissions*" and insert "*railroad authorities*"

Page 6, line 18, after the period, insert "*The hearing conducted by the metropolitan taxing districts shall be a joint hearing comprised of all of the taxing districts.*"

Page 10, after line 23, insert:



"Sec. 5. Minnesota Statutes 1992, section 473.13, subdivision 1, is amended to read:

Subdivision 1. [BUDGET.] On or before ~~October 4~~ *December 20* of each year the council, ~~after a~~ *at the public hearing required in section 275.065,* shall adopt a *final* budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget, an increase of over \$10,000 in the council's budget, a program or department budget, or a budget item, must be approved by the council before the increase is allowed or the funds obligated. After adoption of the budget and no later than ~~October 4~~ *five working days after December 20,* the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by sections 473.167 and 473.249.

Sec. 6. Minnesota Statutes 1992, section 473.1623, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL REPORT.] By ~~December~~ *February* 15 of even-numbered years, the council, in consultation with the advisory committee, shall publish a consolidated financial report for the council and all metropolitan agencies and their functions, services, and systems. The financial report must cover the calendar year in which the report is published and the ~~two~~ *three* years preceding and ~~three~~ *two* years succeeding that year. The financial report must contain the following information, for each agency, function, or system, respectively, and in the aggregate, in a consistent format that allows comparison over time and among agencies in expenditure and revenue categories:

- (1) financial policies, goals, and priorities;
- (2) levels and allocation of public expenditure, including capital, debt, operating, and pass-through funds, stated in the aggregate and by appropriate functional, programmatic, administrative, and geographic categories, and the changes in expenditure levels and allocations that the report represents;
- (3) the resources available under existing fiscal policy;
- (4) additional resources, if any, that are or may be required;
- (5) changes in council or agency policies on regional sources of revenue and in levels of debt, user charges, and taxes;
- (6) other changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that have been or may be recommended by the council or the respective agencies;
- (7) an analysis that links, as far as practicable, the uses of funds and the sources of funds, by appropriate categories and in the aggregate;

(8) a description of how the fiscal policies effectuate current policy and implementation plans of the council and agencies concerned; and

(9) a summary of significant changes in council and agency finance and an analysis of fiscal trends.

The council shall present the report for discussion and comment at a public meeting in the metropolitan area and request, in writing, an opportunity to make presentations on the report before appropriate committees of the legislature.

Sec. 7. Minnesota Statutes 1992, section 473.167, subdivision 4, is amended to read:

Subd. 4. [STATE REVIEW.] The council must certify its *proposed* property tax levy to the commissioner of revenue by ~~August 4~~ *September 15* of the levy year. The commissioner of revenue shall annually determine whether the property tax for the right-of-way acquisition loan fund certified by the metropolitan council for levy following the adoption of its *proposed* budget is within the levy limitation imposed by this section. The determination must be completed prior to ~~September~~ *November 1* of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculation.

Sec. 8. Minnesota Statutes 1992, section 473.249, subdivision 2, is amended to read:

Subd. 2. The council must certify its *proposed* property tax levy to the commissioner of revenue by ~~August 4~~ *September 15* of the levy year. The commissioner of revenue shall annually determine whether the ad valorem property tax certified by the metropolitan council for levy following the adoption of its *proposed* budget is within the levy limitation imposed by this section. The determination shall be completed prior to ~~September~~ *November 1* of each year. If current information regarding gross tax capacity in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current gross tax capacity within that county for purposes of making the calculation.

Sec. 9. [APPLICATION.]

*Sections 5 to 8 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "making metropolitan council budget and levy certification dates consistent with the truth in taxation provisions;"

Page 1, line 5, delete the second "and"

Page 1, line 6, before the period, insert "; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 4; and 473.249, subdivision 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. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 813: A bill for an act relating to agriculture; redefining terms in the plant pest act; amending Minnesota Statutes 1992, section 18.46, subdivisions 3 and 9, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 3

Amend the title as follows:

Page 1, line 4, delete "subdivisions 3 and 9" and insert "subdivision 3"

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. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 709: A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1992, section 487.25, subdivision 10.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, delete "1,000" and insert "500" in both places

Page 1, line 15, delete everything after the comma

Page 1, line 16, delete "misdemeanors to its city attorney or"

Page 1, line 17, after the comma, insert "*and with the approval of the board of county commissioners.*"

Page 2, delete section 2

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1418: A bill for an act relating to state government; public employment; establishing a pilot project in certain entities; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 19, after the period, insert "*The commissioner shall report to the legislative commission on employee relations on the results of the pilot project at its conclusion.*"

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. 453: A bill for an act relating to local government; establishing a county option for sales of tax-forfeited lands; requiring reimbursement to county for administrative expenses of special assessments; modifying date for submission of rental statements by housing and redevelopment authority; amending Minnesota Statutes 1992, sections 282.01, subdivision 7; 429.061, by adding a subdivision; and 469.040, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "*sealed bid or*"

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. 896: A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Sherburne county.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 814: A bill for an act relating to metropolitan government; requiring a classroom noise study.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 6, after "*commission*" insert "*in consultation with representatives of the school districts adjacent to the Minneapolis-St. Paul International Airport*"

Page 1, delete line 20

Page 1, line 21, delete "(3)" and insert "(2)"

Page 1, line 22, delete "(4)" and insert "(3)"

Page 1, line 23, delete "(5)" and insert "(4)"

Page 1, after line 24, insert:

*"The study shall include noise frequency measurements accomplished using A-weighted sound levels."*

Page 2, line 14, delete "*include at least*" and insert "*be located in at least two different public or private schools in each of the following cities: Eagan, Bloomington, Mendota Heights, Minneapolis, Richfield, and St. Paul. Not more than two of the schools tested may be located inside the 1996*"

Page 2, delete lines 15 to 18

And when so amended the bill do pass: Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 529: A bill for an act relating to metropolitan government; requiring the metropolitan council to adopt rules allocating comprehensive choice housing among cities and towns in the metropolitan area; requiring metropolitan council review of city's and town's efforts to comply with the allocation; establishing penalties for noncompliance; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 33, delete "*households at income*"

Page 2, delete lines 34 and 35

Page 3, line 1, after the first comma, insert "*and*" and delete "*, and 100 percent*"

Page 3, line 14, delete "*OBJECTIVES;*"

Page 3, line 15, delete "*and objectives governing opportunities*"

Page 3, line 16, after "*for*" insert "*establishing*"

Page 3, line 25, delete "*and objectives*"

Page 4, line 34, after "*allotment*" insert "*. For the purpose of determining substantial compliance with choice housing allotment, full credit shall be given for current and past efforts to provide affordable housing*"

Page 5, line 13, delete "*to the*"

Page 5, line 14, delete "*extent of available resources*" and insert "*subject to its authority under sections 473.194 to 473.201*"

Page 5, line 26, delete "*procedures*" and insert "*rules*"

Page 5, line 32, delete "*shall*" and insert "*may*"

Page 5, line 33, delete "*. The counseling services must*" and insert "*to*"

Page 6, line 10, before the period, insert "*under subdivision 3, clause (2)*"

Page 7, delete sections 3 and 4 and insert:

"Sec. 3. [STATE ADVISORY COUNCIL.]

*Subdivision 1. [ESTABLISHMENT; PURPOSE.] A state advisory council on metropolitan governance is established to provide a forum at the state level for education, discussion, identification of emerging regional needs and appropriate responses, and advice to the legislature on the present and future role of the metropolitan council, metropolitan agencies, and the local governmental units as defined in Minnesota Statutes, section 473.121. The creation of the advisory council shall not affect any otherwise existing reporting relationships of the council, metropolitan agencies, or the local governmental units to the legislature.*

*Subd. 2. [AUTHORITY; DUTIES.] (a) The advisory council shall review and comment to the legislature on the duties and responsibilities of the council, metropolitan agencies, and the local governmental units.*

*(b) The advisory council may gather information, conduct research and analysis, and advise the legislature on matters related to the council's charge.*

*(c) The advisory council may conduct public hearings to inform the public and solicit opinion.*

*(d) The advisory council shall consult with local governmental units in making its recommendations.*

*Subd. 3. [MEMBERSHIP.] The advisory council shall consist of 15 members who serve at the pleasure of the appointing authority as follows:*

*(1) six legislators; three members of the senate appointed by the subcommittee on committees of the committee on rules and administration; and three members of the house of representatives appointed by the speaker; and*

*(2) nine public members who are residents of the metropolitan area; two appointed by the subcommittee on committees of the committee on rules and administration of the senate and two appointed by the speaker of the house of representatives; and five appointed by the governor.*

*Subd. 4. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as co-chair of the advisory council.*

*Subd. 5. [ADMINISTRATION.] Legislative staff, the metropolitan council, and metropolitan agencies shall provide administrative and staff assistance when requested by the advisory council.*

#### Sec. 4. [EXPENSES.]

*The metropolitan council shall compensate the members of the advisory council. Public members are to be compensated in an amount provided by Minnesota Statutes, section 15.059, subdivision 3. Members of the legislature are to be paid per diem and expenses in an amount provided by Minnesota Statutes, section 3.099. The council shall adopt a budget of estimated expenses at its first meeting and provide a copy to the metropolitan council.*

#### Sec. 5. [APPLICATION.]

*Sections 1 to 4 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

#### Sec. 6. [EFFECTIVE DATE.]

*Sections 1 to 5 are effective the day following final enactment. Sections 3 and 4 are repealed June 30, 1994."*

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. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1272: A bill for an act relating to education; changing educational effectiveness; creating school improvement grants; creating requirements for financial training for school boards; changing training and experience

revenue; creating cost-of-living revenue; creating school restructuring pilots and teacher compensation task forces; appropriating money; amending Minnesota Statutes 1992, sections 120.105; 121.918; 123.33, by adding a subdivision; 123.951; 124A.22, subdivisions 1, 4a, 4b, and by adding a subdivision; 124A.28, subdivision 1; 124A.29, subdivision 1; and 126.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 121.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Education. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1367: A bill for an act relating to the environment; authorizing administrative penalty orders for violations of provisions relating to hazardous chemical reporting requirements; amending Minnesota Statutes 1992, section 299K.10; 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 and Consumer Protection, to which was referred

S.F. No. 1114: A bill for an act relating to commerce; franchises; regulating assignments, transfers, and sales; amending Minnesota Statutes 1992, sections 80C.14, subdivision 5; and 80C.17, subdivisions 1 and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 2, delete lines 16 and 17

Page 2, line 18, delete "*after the effective date. Section 1 applies*" and insert:

*"Sections 1 and 2 apply"*

Page 2, line 19, delete the comma

Page 2, line 20, delete "*amended,*" and delete "*applies*" and insert "*apply*"

Page 2, line 22, delete everything after the period

Page 2, delete line 23

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 4 and insert "*Statutes 1992, section*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 332: A bill for an act relating to privacy of communications; pen registers, trap and trace devices, and mobile tracking devices; providing for the admissibility of evidence obtained through or resulting from installation or use of these devices in violation of law; amending Minnesota Statutes 1992, section 626A.35, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, delete "*pending or*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

H.F. No. 79: A bill for an act relating to courts; grandparent visitation; clarifying that visitation may be sought after completion of proceedings for dissolution, custody, legal separation, annulment, or parentage; amending Minnesota Statutes 1992, sections 257.022, subdivision 2; and 518.175, subdivision 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, after the stricken "to" insert a comma

Page 1, line 15, strike "*thereafter*"

Page 2, line 4, delete "*thereafter*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 918: A bill for an act relating to civil actions; providing that the statute of limitations in section 541.051 governs materials incorporated into an improvement to real property; amending Minnesota Statutes 1992, section 336.2-725.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 19, delete "*filed*" and insert "*commenced*" and delete the second "*claims*" and insert "*causes of action*"

Page 2, line 20, delete "*pending on*" and insert "*arising before*"

Page 2, line 21, after "*Statutes*" insert "1992"

Page 2, line 24, delete "*filed*" and insert "*commenced*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was re-referred

S.F. No. 551: A bill for an act relating to highway traffic regulations;



implements of husbandry; defining implements of husbandry; reducing the maximum speed limit for implements of husbandry to 25 miles per hour; requiring hazard warning lights on implements of husbandry; regulating brakes on implements of husbandry; imposing certain size and weight restrictions; requiring slow-moving vehicle safety to be included in driver examinations and driver education courses; amending Minnesota Statutes 1992, sections 169.01, subdivision 55; 169.145; 169.18, subdivision 5; 169.47; 169.55, subdivision 2, and by adding a subdivision; 169.64, subdivision 6; 169.67, subdivisions 3, 4, and by adding a subdivision; 169.72, subdivision 1; 169.80, subdivisions 1 and 2; 169.82; 169.86, subdivision 5; and 171.13, subdivision 1, and by adding a subdivision; 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, lines 29 and 31, after "towed" insert " *, mounted, or semi-mounted*"

Page 2, delete section 2

Page 4, after line 2, insert:

"Sec. 4. Minnesota Statutes 1992, section 169.522, subdivision 1, is amended to read:

Subdivision 1. [DISPLAYING EMBLEM; RULES.] (a) All animal-drawn vehicles, motorized golf carts when operated on designated roadways pursuant to section 169.045, implements of husbandry *with load*, and other machinery, including all road construction machinery, which are designed for operation at a speed of 25 miles per hour or less shall display a triangular slow-moving vehicle emblem, except (1) when being used in actual construction and maintenance work and traveling within the limits of a construction area which is marked in accordance with requirements of the manual of uniform traffic control devices, as set forth in section 169.06, or (2) for a *towed implement of husbandry that is empty and that is not self-propelled, in which case it may be towed at lawful speeds greater than 25 miles per hour without removing the slow moving vehicle emblem*. The emblem shall consist of a fluorescent yellow-orange triangle with a dark red reflective border and be mounted so as to be visible from a distance of not less than 600 feet to the rear. When a primary power unit towing an implement of husbandry or other machinery displays a slow-moving vehicle emblem visible from a distance of 600 feet to the rear, it shall not be necessary to display a similar emblem on the secondary unit. After January 1, 1975, all slow-moving vehicle emblems sold in this state shall be so designed that when properly mounted they are visible from a distance of not less than 600 feet to the rear when directly in front of lawful lower beam of head lamps on a motor vehicle. The commissioner of public safety shall adopt standards and specifications for the design and position of mounting the slow-moving vehicle emblem. Such standards and specifications shall be adopted by rule in accordance with the administrative procedure act. A violation of this section shall not be admissible evidence in any civil cause of action arising prior to January 1, 1970.

(b) An alternate slow-moving vehicle emblem consisting of a dull black triangle with a white reflective border may be used after obtaining a permit from the commissioner under rules of the commissioner. A person with a permit to use an alternate slow-moving vehicle emblem must:

(1) carry in the vehicle a regular slow-moving vehicle emblem and display the emblem when operating a vehicle between sunset and sunrise, and at any other time when visibility is impaired by weather, smoke, fog, or other conditions; and

(2) permanently affix to the rear of the slow-moving vehicle at least 72 square inches of reflective tape that reflects the color red.

Sec. 5. Minnesota Statutes 1992, section 169.522, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION ON USE.] The use of this emblem shall be restricted to the slow moving vehicles specified in subdivision 1 and its use on any other type of vehicle or stationary object on the highway is prohibited, *except that the emblem may be displayed on a towed implement of husbandry that is without load and not self-propelled, in which case it may be transported at lawful speeds greater than 25 miles per hour.*

Page 4, line 18, strike "a white or" and insert "an" and after "light" insert "or reflector" and delete "or"

Page 4, line 19, delete "amber" and after "light" insert "or reflector"

Page 4, line 22, after "reflectors" insert "*and a detachable flashing amber light approved by the commissioner of public safety*"

Page 6, line 29, delete "owned" and insert "used"

Page 6, line 31, delete "owner" and insert "user"

Page 13, line 2, delete everything after "farmer"

Page 13, delete lines 3 to 5

Page 13, line 6, delete everything before the period

Page 17, line 27, delete "(1)"

Page 17, line 28, delete ", and (2)" and insert a period

Page 17, delete line 29

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete from "reducing" through page 1, line 5, to "hour;"

Page 1, line 11, delete "169.145;"

Page 1, line 12, after the second semicolon, insert "169.522, subdivisions 1 and 2;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 709, 1418, 453, 896, 814, 1367, 1114, 332, 918 and 551 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. No. 79 was read the second time.

**MOTIONS AND RESOLUTIONS – CONTINUED**

Mr. Solon moved that H.F. No. 882, No. 102 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Mr. Neuville moved that S.F. No. 955, No. 116 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

Mr. Betzold moved that S.F. No. 453 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. 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. Merriam introduced—

S.F. No. 1540: A bill for an act relating to state lands; correcting the legal description of state land to be sold to Anoka county; amending Laws 1989, chapter 150, section 6.

Referred to the Committee on Environment and Natural Resources.

Messrs. Vickerman, Beckman, Solon, Neuville and Benson, D.D. introduced—

S.F. No. 1541: A bill for an act relating to corrections; changing inmate classification in jails; amending Minnesota Statutes 1992, section 641.14.

Referred to the Committee on Crime Prevention.

Mr. Murphy introduced—

S.F. No. 1542: A bill for an act relating to Goodhue county; authorizing the county to establish a county redevelopment authority with certain powers.

Referred to the Committee on Metropolitan and Local Government.

Mr. Metzen introduced—

S.F. No. 1543: A bill for an act relating to insurance; automobile; regulating commercial automobile insurance coverage; prohibiting the use of certain information by insurers; amending Minnesota Statutes 1992, section 72A.20, by adding a subdivision.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Samuelson, Pogemiller, Hottinger and Ms. Pappas introduced—

S.F. No. 1544: A bill for an act relating to human services; establishing an information center for traumatic injury; requiring a study of medical education and continuing medical education requirements related to treatment of persons with traumatic brain injury and traumatic spinal cord injury; appropriating money; amending Minnesota Statutes 1992, section 171.29, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 268.

Referred to the Committee on Health Care.

Messrs. Mondale, Merriam and Morse introduced—

S.F. No. 1545: A bill for an act relating to the environment; appropriating money from the metropolitan landfill contingency trust fund to the commissioner of the pollution control agency for reimbursement to the city of Hopkins for remediation of methane at the city landfill; amending Laws 1991, chapter 182, section 7.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Johnson, D.J.; Price; Meses. Pappas and Krentz introduced—

S.F. No. 1546: A bill for an act relating to financing and operation of government in Minnesota; changing property tax classifications and class rates; modifying the property tax refund for homeowners and renters; restructuring various state aids; changing the local government aid formula; providing state financing of court administrators; providing for three property tax installment payments; allowing cities to impose certain service charges on certain tax exempt property; eliminating the local government trust fund; appropriating money; amending Minnesota Statutes 1992, sections 43A.02, subdivision 25; 43A.24, subdivision 2; 97A.065, subdivision 2; 124.226, subdivision 1; 124A.23, subdivision 1; 145A.13, subdivision 2; 256E.06, subdivisions 5 and 12; 273.1316, subdivisions 1, 6, and 7; 273.1381; 273.1392; 274.19, subdivision 3; 275.065, subdivision 3; 275.07, subdivision 1; 275.08, subdivision 1b; 276.04, subdivision 3; 276.09; 276.10; 276.11; 276.111; 278.03; 278.05, subdivision 5; 279.01, by adding subdivisions; 289A.18, subdivision 5; 289A.56, subdivision 6; 290A.01; 290A.03, subdivisions 6 and 13; 290A.04, subdivision 2; 290A.07; 290A.23; 297A.44, subdivision 1; 299D.03, subdivision 5; 466.01, subdivision 6; 477A.011, subdivisions 1a, 20, 25, and by adding subdivisions; 477A.012, by adding a subdivision; 477A.013, subdivisions 1 and 2; 477A.014, subdivisions 1 and 3; 477A.03, subdivision 1; 480.181, subdivision 1; 485.01; 485.018, subdivisions 2a, 5, and 6; 485.021; 487.31, subdivision 1; 487.32, subdivision 3; and 574.34, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 257; 273; 275; 429; and 477A; repealing Minnesota Statutes 1992, sections 16A.711; 16A.712; 256E.06, subdivision 2; 273.124; 273.13; 273.1398; 275.07, subdivision 3; 275.08, subdivisions 1c and 1d; 279.01, subdivisions 1 and 3; 290A.04, subdivisions 2a, 2b, 2h, and 2i; 290A.23, subdivision 2; 297A.44, subdivision 4; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 15, 16, 17, 18, 19, 22, 23, 28, and 29; 477A.012; 477A.013, subdivisions 3, 5, and 6; 477A.0132, subdivisions 1, 2, and 3; 477A.014, subdivision 1a; 485.018, subdivisions 1, 2, 4, and 8; 485.03; 485.05; and 485.11.

Referred to the Committee on Taxes and Tax Laws. Ms. Flynn questioned the reference thereon and; under Rule 35, the bill was referred to the Committee on Rules and Administration.

Messrs. Lessard, Hottinger, Neuville, Day and Johnson, D.J. introduced—

S.F. No. 1547: A bill for an act relating to taxation; revising rebate, penalty, notification, and publication provisions in the unfair cigarette sales act; amending Minnesota Statutes 1992, sections 325D.33, subdivision 3, and by adding a subdivision; 325D.37, subdivision 3; proposing coding for new law

in Minnesota Statutes, chapter 325D; repealing Minnesota Statutes 1992, section 325D.33, subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin introduced—

S.F. No. 1548: A bill for an act relating to toxic lead cleanup funding; imposing a lead fee; establishing a lead fund; providing for a lead abatement credit; imposing a tax on the wholesale of paint; authorizing rulemaking; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115C; and 290; proposing coding for new law as Minnesota Statutes, chapter 297E.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 1549: A bill for an act relating to chemical dependency services; authorizing an alternative services pilot project; setting standards; clarifying the extent of detoxification transportation services; authorizing a detoxification program; appropriating money; amending Minnesota Statutes 1992, sections 254A.17, subdivision 3; and 256I.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 254A.

Referred to the Committee on Health Care.

Ms. Berglin introduced—

S.F. No. 1550: A bill for an act relating to insurance; accident and health; requiring coverage for blood lead tests; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Commerce and Consumer Protection.

Ms. Berglin introduced—

S.F. No. 1551: A bill for an act relating to lead waste disposal; regulating the disposal of residential lead paint waste; authorizing rulemaking; providing for revocation of licenses in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1552: A bill for an act relating to community social services; establishing a pilot project of social support services for persons living in certain public high-rise communities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256E.

Referred to the Committee on Family Services.

Ms. Berglin introduced—

S.F. No. 1553: A bill for an act relating to child care; establishing a pilot child care apprenticeship program through the department of human services;

appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256H.

Referred to the Committee on Family Services.

Mr. Pogemiller introduced—

S.F. No. 1554: A bill for an act relating to taxation; authorizing preliminary approval of leasehold cooperative treatment; providing a penalty; amending Minnesota Statutes 1992, section 273.124, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Ms. Anderson, Mr. Luther, Ms. Wiener and Mr. Oliver introduced—

S.F. No. 1555: A bill for an act relating to notaries public; making various technical changes; providing for the appointment and powers of notaries; prescribing penalties; amending Minnesota Statutes 1992, sections 359.01; 359.02; 359.03, subdivisions 1 and 3; 359.04; 359.05; 359.071; and 359.12.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Marty introduced—

S.F. No. 1556: A bill for an act relating to the financing and operation of state government; providing supplemental funding for programs relating to children and families; increasing the working family credit; reducing the amount of certain deductions; changing income tax rates and brackets; appropriating money; amending Minnesota Statutes 1992, sections 256.019; 256.74, subdivision 1; 256B.057, subdivisions 1 and 2; 260.152; 290.01, subdivisions 19a and 19b; 290.06, subdivisions 2c and 2d; 290.0671, subdivision 1; 290.091, subdivisions 1, 2, and 6; 462A.07, by adding a subdivision; and 462A.21, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Family Services.

Mr. Luther introduced—

S.F. No. 1557: A bill for an act relating to data privacy; eliminating a classification of legislators' telephone records; amending Laws 1989, chapter 335, article 1, section 15, subdivision 3.

Referred to the Committee on Rules and Administration.

### MEMBERS EXCUSED

Mses. Berglin and Pappas were excused from the Session of today. Mrs. Pariseau was excused from the Session of today at 11:35 a.m. Messrs. Johnson, D.E. and Moe, R.D. were excused from the Session of today from 10:00 to 10:30 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:45 a.m., Wednesday, April 7, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRTY-FIRST DAY

St. Paul, Minnesota, Wednesday, April 7, 1993

The Senate met at 11:45 a.m. and was called to order by the President.

### CALL OF THE SENATE

Mr. Solon 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. Tom Hendrickson.

The roll was called, and the following Senators answered to their names:

Adkins	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	
Day	Knutson	Morse	Robertson	

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, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	585	22	10:27 a.m. April 2	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 House File, herewith transmitted: H.F. No. 1650.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 5, 1993

### FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H.F. No. 1650: A bill for an act relating to data privacy; eliminating a classification of legislators' telephone records; requiring the attorney general to seek recovery of wrongfully paid taxpayer money for telephone charges; amending Laws 1989, chapter 335, article 1, section 15, subdivision 3.

Mr. Moe, R.D. moved that H.F. No. 1650 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 reports on S.F. Nos. 1053, 610, 255 and 480. The motion prevailed.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1113: A bill for an act relating to health; regulating physician advertising; amending Minnesota Statutes 1992, section 147.091, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 31, delete everything after the first "board" and insert "or is approved by the Council of Medical Specialty Societies or the Accreditation Council for Graduate Medical Education."

Page 2, delete lines 32 and 33



And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 356: A bill for an act relating to chemical abuse; transferring responsibility for creation of a chemical health index model from the department of public safety to the department of human services; appropriating money for research concerning chemical abuse and for its treatment; proposing coding for new law in Minnesota Statutes, chapter 254A; repealing Minnesota Statutes 1992, section 299A.325.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete sections 2 to 4

Page 2, line 23, delete "5" and insert "2"

Amend the title as follows:

Page 1, line 5, delete from "appropriating" through page 1, line 7, to "treatment;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 739: A bill for an act relating to health; regulating ionization radiation; exempting practitioners of veterinary medicine from certain quality assurance tests; amending Minnesota Statutes 1992, section 144.121, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 14, insert:

"Sec. 2. Minnesota Statutes 1992, section 144.121, is amended by adding a subdivision to read:

*Subd. 4. [RADIATION MONITORING.] Whenever involved in radiation procedures, practitioners of veterinary medicine and staff shall wear film-based radiation monitoring badges to monitor individual exposure. The badges must be submitted periodically to a dosimetry service for individual exposure determination."*

Page 1, line 15, delete "2" and insert "3"

Amend the title as follows:

Page 1, lines 5 and 6, delete "a subdivision" and insert "subdivisions"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was re-referred

S.F. No. 382: A bill for an act relating to health care; creating the Minnesota

health assurance board; requiring peer review for practice parameters; requiring health plans to disclose overheads; designating the commissioner of administration as the sole purchaser of prescription drugs; limiting the promotion of prescription drugs; restricting underwriting and premium rating practices; permitting administrative rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 62A.65, subdivision 5, and by adding a subdivision; 62J.03, by adding subdivisions; 62J.04, subdivision 1; and by adding a subdivision; 62J.09, subdivisions 1, 2, 6, 7, and by adding a subdivision; 62J.15, subdivision 2; 62J.17, subdivisions 5 and 6; 62J.32, subdivision 3; 62J.34, subdivision 2; 62L.03, subdivision 4, and by adding a subdivision; 62L.08, subdivisions 2, 3, 4, and by adding subdivisions; and 256B.0625, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 72A; and 151; repealing Minnesota Statutes 1992, sections 62L.04, subdivisions 3, 4, 5, and 6; 62J.05; 62J.09, subdivisions 3, 4, and 8; 62J.17, subdivisions 5 and 6; 62J.19; and 62J.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. [SINGLE-PAYOR STUDY.]

*The health care commission shall study the administrative cost of paying Minnesota health care providers through the multiple payors that currently reimburse Minnesota providers. The commission shall also analyze the administrative cost of paying Minnesota health care providers through one state government agency and through one private sector health carrier. Administrative cost includes (1) the difference between revenues from all sources of all publicly financed health programs and private sector health plans and all claims paid out; and (2) billing costs for Minnesota providers. The report should, to the extent possible, rely solely on data collected from Minnesota providers, health carriers, and other group purchasers. The commission shall report its findings to the legislature by January 1, 1994.”*

Delete the title and insert:

“A bill for an act relating to health care; requiring the health care commission to study a single-payor system.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 991: A bill for an act relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action; amending Minnesota Statutes 1992, sections 148.181, subdivisions 1 and 3; 148.211, subdivision 1; 148.212; and 148.261, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 6, before the period, insert “, and one of the eight must have national certification as a registered nurse anesthetist, nurse practitioner,

nurse midwife, or clinical nurse specialist" and delete "Five" and insert "Four"

Page 4, line 20, delete "registration" and insert "reregistration"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 817: A bill for an act relating to public employment; providing an early retirement incentive for certain public employees; authorizing school districts to levy for certain costs.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [EMPLOYER-PAID HEALTH INSURANCE.]

*Subdivision 1. [ELIGIBLE EMPLOYEES.] A person employed by the state of Minnesota or, with respect to the incentive provided under subdivision 2, paragraph (b), as a teacher shall, or a person employed by any other public employer, as defined in Minnesota Statutes, section 179A.03, subdivision 15, if the employer authorizes the incentive, may receive an early retirement incentive under subdivision 2 if the person:*

*(1) has at least 25 years of combined service credit in any Minnesota public pension plans governed by Minnesota Statutes, section 356.30, subdivision 3;*

*(2) upon retirement is immediately eligible for a retirement annuity from a defined benefit plan;*

*(3) is at least 55 years of age;*

*(4) retires on or after May 1, 1993, and before January 31, 1994; and*

*(5) if the person is a state employee, works for an agency or appointing authority that will incur layoffs after May 17, 1993.*

*Subd. 2. [INCENTIVE.] (a) A person who meets the requirements of subdivision 1 may choose the incentive in paragraph (b) or the incentive in paragraph (c), but not both.*

*(b) For a person covered by a retirement plan established in Minnesota Statutes, section 352.115, 352.116, or 353.29 and 353.30 or chapter 422A, who selects the incentive under this paragraph, the multiplier percentage used to calculate the retirement annuity must be increased by .25 for each year of allowable service credit. For a teacher, as defined in Minnesota Statutes, section 354.05, subdivision 2, or 354A.011, subdivision 27, the multiplier percentage used to calculate the retirement annuity must be increased by .10 for each year of allowable service credit.*

*(c) For a person who selects the incentive under this paragraph, the employer must pay for hospital, medical, and dental insurance, under conditions and limitations specified in this section. A person is eligible for this employer-paid insurance only if the person:*

(1) is eligible for employer-paid insurance under collective bargaining agreements in effect on the day before the effective date of this section;

(2) has at least as many months of service with the current employer as the number of months younger than age 65 the person is at the time of retirement; and

(3) is less than age 65.

*Subd. 3. [LIMITS ON REHIRING.] During the biennium ending June 30, 1995:*

(1) an executive branch state agency may not hire a replacement for a person who retires under this subdivision except for (i) correctional guards and persons who provide direct patient care in state institutions; (ii) other positions listed in a position-specific executive order issued by the governor; or (iii) in the case of the state universities and community colleges, after review by the presidents, the governing boards decide on a case-by-case basis which positions must be replaced to provide for continuity of service on the campuses; and

(2) another public employer may not hire a replacement for a person who retires under this subdivision, except under position-specific action of the governing body.

*Subd. 4. [CONDITIONS.] For purposes of this section, a person retires when the person terminates active employment and applies for retirement benefits. An employee who retires under this section using the rule of 90 must not be included in the calculations required by Minnesota Statutes, section 356.85.*

*Subd. 5. [CONDITIONS; INSURANCE COVERAGE.] A retired employee is eligible for single and dependent coverages and employer payments to which the person was entitled immediately before retirement, subject to any changes in coverage and employer and employee payments through collective bargaining or personnel plans, for employees in positions equivalent to the position from which the employee retired. The retired employee is not eligible for employer-paid life insurance. Eligibility ceases when the retired employee attains the age of 65, or when the person chooses not to receive the retirement benefits for which the person has applied, or when the person 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.*

*Subd. 6. [APPLICATION OF OTHER LAWS.] Unilateral implementation of this section by a public employer is not an unfair labor practice for purposes of Minnesota Statutes, chapter 179A. The requirement in this section for an employer to pay health insurance costs for certain retired employees is not subject to the limits in Minnesota Statutes, section 179A.20, subdivision 2a.*

*Subd. 7. [SCHOOL DISTRICT LEVY.] A school district may levy the amount necessary to make employer contributions for insurance for retired teachers under this section. Notwithstanding Minnesota Statutes, section 121.904, 50 percent of the amount levied must be recognized as revenue for the fiscal year in which the levy is certified. This levy must not be considered in computing the aid reduction under Minnesota Statutes, section 124.155. If a school district levies according to this section, it may not also levy*

according to Minnesota Statutes, section 122.531, subdivision 9, for eligible employees.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is 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. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1077: A bill for an act relating to human services; granting authority to make interpretive guidelines; defining interpretive guidelines; providing for a vulnerable adult study; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 245A.02, subdivision 14; 245A.04, subdivisions 3 and 3b; 245A.06, subdivision 2; 245A.09, subdivision 7, and by adding subdivisions; and 245A.16, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1 and insert:

“Section 1. Minnesota Statutes 1992, section 245A.02, subdivision 6a, is amended to read:

Subd. 6a. [DROP-IN CHILD CARE PROGRAM.] “Drop-in child care program” means a nonresidential program of child care in which children participate on a one-time only or occasional basis up to a maximum of 45 90 hours per child, per month. A drop-in child care program must be licensed under Minnesota Rules governing child care centers. A drop-in child care program must meet one of the following requirements to qualify for the rule exemptions specified in section 245A.14, subdivision 6:

(1) the drop-in child care program operates in a child care center which houses no child care program except the drop-in child care program;

(2) the drop-in child care program operates in the same child care center but not during the same hours as a regularly scheduled ongoing child care program with a stable enrollment; or

(3) the drop-in child care program operates in a child care center at the same time as a regularly scheduled ongoing child care program with a stable enrollment but the program’s activities, except for bathroom use and outdoor play, are conducted separately from each other.”

Page 2, after line 35, insert:

“Sec. 3. Minnesota Statutes 1992, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of education;

(6) nonresidential programs for children that provide care or supervision, *without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present on property within another building that is directly contiguous with the physical facility where to the building in which the nonresidential program is provided located;*

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs whose primary purpose is to provide, for adults or school-age children, including children who will be eligible to enter kindergarten within not more than four months, social and recreational activities, such as scouting, boys clubs, girls clubs, sports, or the arts; except that a program operating in a school building is not excluded unless it is approved by the district's school board;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance;

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 30 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home- and community-based service to a person with mental retardation or a related condition, in the person's primary residence; or

(23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17.

*For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof."*

Pages 5 and 6, delete section 4

Page 8, line 28, reinstate the stricken language

Pages 8 to 10, delete sections 7 to 11 and insert:

"Sec. 7. Minnesota Statutes 1992, section 245A.14, subdivision 6, is amended to read:

Subd. 6. [DROP-IN CHILD CARE PROGRAMS.] (a) Except as expressly set forth in this subdivision, drop-in child care programs must be licensed as a drop-in program under the rules governing child care programs operated in a center.

(b) Drop-in child care programs are exempt from the ~~requirements in following Minnesota Rules, parts:~~

(1) part 9503.0040;

(2) part 9503.0045, subpart 1, items F and G;

(3) part 9503.0050, subpart 6, except for children less than ~~2-1/2 years~~ 16 months old;

(4) one-half the requirements of part 9503.0060, subpart 4, item A, subitems (2), (5), and (8), subpart 5, item A, subitems (2), (3), and (7), and subpart 6, item A, subitems (3) and (6);

(5) part 9503.0070; and

(6) part 9503.0090, subpart 2.

(c) A drop-in child care program must be operated under the supervision of a person qualified as a director and a teacher.

(d) A drop-in child care program must have at least two persons on staff whenever the program is operating, except that the commissioner may permit variances from this requirement under specified circumstances for parent cooperative programs, as long as all other staff-to-child ratios are met.

(e) Whenever the total number of children present to be cared for at a center is more than 20, children that are younger than age 2-1/2 must be in a separate group. This group may contain children up to 60 months old. This group must be cared for in an area that is physically separated from older children.

(f) A drop-in child care program must maintain a minimum staff ratio for children age 2-1/2 16 months or greater of one staff person for each ten children.

(g) If the program has additional staff who are on call as a mandatory condition of their employment, the minimum child-to-staff ratio may be exceeded only for children age 2-1/2 16 months or greater, by a maximum of four children, for no more than 20 minutes while additional staff are in transit.

(h) The minimum staff-to-child ratio for infants up to 16 months of age is one staff person for every four infants. The minimum staff-to-child ratio for children age 17 months to 30 months is one staff for every seven children.

(i) In drop-in care programs that serve both infants and older children, children up to age 2-1/2 may be supervised by assistant teachers, as long as other staff are present in appropriate ratios.

(j) The minimum staff distribution pattern for a drop-in child care program serving children age 2-1/2 or greater is: the first staff member must be a teacher; the second, third, and fourth staff members must have at least the qualifications of a child care aide; the fifth staff member must have at least the qualifications of an assistant teacher; the sixth, seventh, and eighth staff members must have at least the qualifications of a child care aide; and the ninth staff person must have at least the qualifications of an assistant teacher. The commissioner by rule may require that a drop-in child care program serving children less than 2-1/2 years of age serve these children in an area separated from older children and may permit children age 2-1/2 and older to be cared for in the same child care group

(k) A drop-in child care program may care for siblings 16 months or older together in any group. For purposes of this subdivision, sibling is defined as sister or brother or stepsister or stepbrother."

Page 10, after line 17, insert:

"Sec. 9. [INTERPRETIVE MEMORANDA STUDY.]

(a) The commissioner of human services shall study and report on the cost, feasibility, and means of implementing the publication and dissemination of written memoranda that provide interpretation, details, or supplementary



information concerning the application of law or rules administered by the licensing division of the department of human services.

*In preparing the report, the commissioner shall consult with the legislative commission to review administrative rules, legal advocates, consumer groups, providers of service, and county social service agencies.*

*The commissioner shall report the results of the study including the results of the pilot project authorized in paragraph (b) to the legislature by February 1, 1995.*

*(b) The commissioner of human services shall conduct a pilot project in conjunction with the study required by paragraph (a).*

*The purpose of the project is to allow the licensing division of the department of human services to gain the experience and information necessary to do this study and report by publishing and disseminating these memoranda concerning the application of the following rules governing developmental disabilities and child care center regulation: Minnesota Rules, parts 9503.0005 to 9503.0175; 9525.0500 to 9525.0660; 9525.0215 to 9525.0355; 9525.1500 to 9525.1690; and 9525.2000 to 9525.2140.*

*The commissioner is exempt from the rulemaking provisions of Minnesota Statutes, chapter 14, in issuing these memoranda. The statements do not have the force and effect of law and have no precedential effect, but they may be relied on until modified or revoked."*

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 "guidelines" and insert "regulating child care programs; requiring an interpretive memoranda study"

Page 1, line 5, delete "14.03,"

Page 1, delete line 6 and insert "245A.02, subdivisions 6a and 14; 245A.03, subdivision 2; 245A.04,"

Page 1, line 7, delete "subdivisions" and insert "subdivision" and delete "and 3b"

Page 1, line 8, delete ", and by adding subdivisions" and insert "245A.14, subdivision 6"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1053: A bill for an act relating to state and local government; establishing the Minnesota information network; establishing the metropolitan public information network pilot program; authorizing rulemaking; proposing coding for new law as Minnesota Statutes, chapter 116S.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 30, before the semicolon, insert “, which must be the department of administration’s statewide telecommunications network, if appropriate”

Page 3, line 9, delete the second “and”

Page 3, line 13, before the period, insert “; and

*(9) explore the development of an information network accessible to the public at no cost, which must offer information on services provided by government, other public entities, and the private sector”*

Page 3, delete lines 14 to 36

Page 4, delete lines 1 to 15 and insert:

“*Subd. 3. [BOARD OF DIRECTORS.] (a) The corporation is governed by a board of ten directors. The compensation, removal, and filling of vacancies of public members of the board are governed by section 15.0575. The board consists of the secretary of state; the commissioner of the department of administration; two members who are commissioners of state agencies, appointed by the governor; and the following public members, appointed by the governor to three-year terms:*

*(1) a member of the Minnesota state bar association;*

*(2) four members representing statewide user-associations, no two of which may represent the same association; and*

*(3) one member who is an employee of a public library that subscribes to MIN.*

*(b) The Minnesota state bar association may submit a list of three of its members to the governor for consideration in making the appointment under paragraph (a), clause (1). The board may compile a list of no fewer than nine persons representing user associations and submit it to the governor for consideration in making the appointments under paragraph (a), clause (2). The office of library services may submit a list of three librarians to the governor for consideration in making the appointment under paragraph (a), clause (3).*

*The board shall annually elect one of its members to serve as chair of MIN, another as vice-chair, and another as secretary.*

*(c) Five members of the board constitute a quorum, and the affirmative vote of five members is required for any action taken by the board. A vacancy in the membership of the board does not impair the right of a quorum to exercise all the rights and perform all the duties of the board.”*

Page 4, line 16, delete “5” and insert “4”

Page 4, line 21, delete “6” and insert “5”

Page 4, line 23, delete “7” and insert “6”

Page 5, delete lines 4 to 6 and insert:

“(3) establish fees for the services provided to subscribers.

*Fees set under clause (3) must cover the actual cost of providing services, except that nonprofit organizations must be charged a reduced fee."*

Page 5, line 15, delete "shall" and insert "must" and delete "pursuant to" and insert "in a"

Page 5, delete line 17

Page 5, line 29, delete everything after the first "MIN"

Page 5, line 30, delete "shall"

Page 5, delete lines 34 and 35 and insert:

*"The record required by clause (3) is the property of MIN."*

Page 6, lines 3, 16, and 22, delete "shall" and insert "must"

Page 6, line 11, after "council" insert ", in cooperation with the intergovernmental information systems advisory council and the state information policy office,"

Page 6, line 19, delete everything after the period

Page 6, delete line 20

Page 6, after line 26, insert:

**"Sec. 9. [INITIAL APPOINTMENTS TO BOARD.]**

*Notwithstanding section 3, subdivision 3, the governor shall appoint one member under clause (2) of that subdivision to a one-year term, another member to a two-year term, and another to a three-year term. The governor shall determine by lot the term to which each member is appointed. The secretary of state shall compile a list of user association representatives for consideration by the governor in making the initial appointments. The first librarian appointed under section 3, subdivision 3, clause (3), need not be employed by a public library subscribing to MIN."*

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. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 734: A bill for an act relating to local government; enabling local government units to obtain waivers of state rules and laws; providing grants to local government units to encourage cooperation, achieve specified outcomes, and design service budget management models; creating a board of local government innovation and cooperation; appropriating money; amending Minnesota Statutes 1992, sections 465.80, subdivisions 1, 2, 4, and 5; 465.81, subdivision 2; 465.82, subdivision 1; 465.83; and 465.87, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 465.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, delete "includes" and insert "means"

Page 1, line 23, after "Subd. 3." insert "[COUNCIL.] "Council" or "metropolitan council" means the metropolitan council established by section 473.123.

Subd. 4."

Page 1, after line 26, insert:

"Subd. 5. [METROPOLITAN AGENCY.] "Metropolitan agency" has the meaning given in section 473.121, subdivision 5a.

Subd. 6. [METROPOLITAN AREA.] "Metropolitan area" has the meaning given in section 473.121, subdivision 2."

Page 1, line 27, delete "4" and insert "7"

Page 2, line 4, delete "is established. The board"

Page 2, line 5, delete "one member" and insert "the majority leader and the minority leader" and delete everything after "senate" and insert "or their designees"

Page 2, line 6, delete everything before the comma

Page 2, line 7, delete "one member" and insert "the majority leader and the minority leader" and delete everything after "representatives" and insert "or their designees"

Page 2, line 8, delete everything before the comma

Page 2, line 9, after the first comma, insert "a nonlegislative member of the advisory commission on intergovernmental relations,"

Page 2, line 10, delete "legislative auditor" and insert "director of the legislative commission to review administrative rules"

Page 2, line 13, delete everything after "designate" and insert "one staff member"

Page 2, line 14, delete "office" and delete "as a member" and insert "in the commissioner's or auditor's place"

Page 2, line 15, delete "who" and insert "and the director of the legislative commission to review administrative rules" and delete everything after "serve" and insert "as nonvoting members"

Page 2, line 16, delete everything before the period

Page 2, lines 17 and 18, delete "has the following duties" and insert "shall"

Page 2, lines 19, 28, 32, and 36, delete "to"

Page 2, line 20, after "and" insert "temporary, limited exemptions from enforcement of"

Page 2, line 23, delete the first "to"

Page 3, line 3, delete the first "to"

Page 3, after line 5, insert:

"The board may purchase services from the metropolitan council in reviewing requests for waivers and grant applications."

Page 3, line 9, before "A" insert "(a) Except as provided in paragraph (b)."

Page 3, line 11, after the second "or" insert "a temporary, limited exemption from enforcement of"

Page 3, line 12, before "laws" insert "procedural"

Page 3, line 14, after "waiver" insert "or exemption"

Page 3, line 16, after the period, insert "Before submitting an application to the board, the governing body of the local government unit must approve the waiver or exemption request by resolution at a meeting required to be public under section 471.705."

(b) A school district that is granted a variance from rules of the state board of education under section 121.11, subdivision 12, need not apply to the board for a waiver of those rules under this section. A school district may not seek a waiver of rules under this section if the state board of education has authority to grant a variance to the rules under section 121.11, subdivision 12. This paragraph does not preclude a school district from being included in a cooperative effort with another local government unit under this section."

Page 3, line 18, after "or" insert "exemption from enforcement of a"

Page 3, lines 23, 25, and 29, after "waiver" insert "or exemption"

Page 3, line 34, delete "shall" and insert "must"

Page 4, line 3, delete "may" and insert "shall" and after "dismiss" insert "or request modification of"

Page 4, line 7, after "or" insert "exemption from enforcement of"

Page 4, line 10, after the period, insert "If the application is submitted by a local government unit in the metropolitan area or the unit requests a waiver of a rule or temporary, limited exemptions from enforcement of a procedural law over which the metropolitan council or a metropolitan agency has jurisdiction, the board shall also transmit a copy of the application to the council for review and comment. The council shall report its comments to the board within 60 days of the date the application was transmitted to the council. The council may point out any resources or technical assistance it may be able to provide a local government submitting a request under this section." and delete "must" and insert "shall"

Page 4, line 12, after "waiver" insert "or exemption" and after the period, insert "The agency may mail a notice that it has received an application for a waiver or exemption to all persons who have registered with the agency under section 14.14, subdivision 1a, identifying the rule or law from which a waiver or exemption is requested."

Page 4, line 17, delete everything after the comma

Page 4, line 18, delete "the supreme court shall" and insert "the chief administrative law judge shall appoint a second administrative law judge to"

Page 4, lines 20, 22, 26, 27, 29, and 32, after "waiver" insert "or exemption"

Page 4, line 23, after the period, insert "Interested persons may submit

written comments to the board on the waiver or exemption request within 60 days of the board's receipt of the application."

Page 4, line 25, delete "will be" and insert "is"

Page 4, line 33, delete the second "shall" and insert "may"

Page 4, line 35, delete "shall" and insert "must"

Page 5, lines 1, 8, 10, 13, and 19, after "waiver" insert "or exemption"

Page 5, line 7, delete "and" and before the period, insert ", and members of the public"

Page 5, line 14, delete "must" and insert "shall"

Page 5, line 16, delete "shall" and insert "must"

Page 5, line 24, delete "a waiver from" and insert "an exemption from enforcement of"

Page 5, line 26, delete "waiver" and insert "exemption"

Page 5, line 33, delete "that had been waived" and insert "covered by the agreement"

Page 5, after line 33, insert:

*"Subd. 7. [ACCESS TO DATA.] If a local government unit, through a cooperative program under this section, gains access to data collected, created, received, or maintained by another local government that is classified as not public, the unit gaining access is governed by the same restrictions on access to and use of the data as the unit that collected, created, received, or maintained the data."*

Page 6, line 1, after the comma, insert "the metropolitan council,"

Page 6, line 14, delete "shall" and insert "may"

Page 7, line 1, delete "shall" and insert "may"

Page 9, line 3, after the period, insert "For a metropolitan area local government unit, the plan must also be submitted to the metropolitan council for review and comment. The council may point out any resources or technical assistance it may be able to provide a governing body submitting a plan under this subdivision."

Page 9, lines 5 and 9, after "board" insert "and council, if appropriate,"

Page 9, line 17, after the period, insert "Metropolitan area units shall also submit the plan to the metropolitan council for review and comment."

Page 9, after line 32, insert:

"Sec. 14. Minnesota Statutes 1992, section 465.87, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITIONAL ELIGIBILITY.] A local government unit is eligible for aid under this section if it has combined with another unit of government in accordance with chapter 414 and a copy of the municipal board's order combining the two units of government is forwarded to the board."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "and" insert "exemptions from enforcement of"

Page 1, line 11, after "1" insert ", and by adding a subdivision"

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. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 384: A bill for an act relating to creditors remedies; regulating executions and garnishments; providing that executions and garnishments on child support judgments are effective until the judgments are satisfied; amending Minnesota Statutes 1992, sections 550.135, subdivision 10; 550.136, subdivisions 3, 4, and 5; 551.04, subdivisions 2 and 11; 551.06, subdivisions 3, 4, and 5; 571.72, subdivision 7; 571.73, subdivision 3; 571.922; and 571.923.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, after line 14, insert:

"Sec. 5. Minnesota Statutes 1992, section 550.143, subdivision 3, is amended to read:

Subd. 3. [EXEMPTION NOTICE.] If the levy is on funds of a judgment debtor who is a natural person and if the funds to be levied are held on deposit at any financial institution, the judgment creditor or its attorney shall provide the sheriff with two copies of an exemption notice, which must be substantially in the form set forth below. The sheriff shall serve both copies of the exemption notice on the financial institution, along with the writ of execution. Failure of the sheriff to serve the exemption notices renders the levy void, and the financial institution shall take no action. However, if this subdivision is being used to execute on funds that have previously been garnished in compliance with section 571.71, the judgment creditor is not required to serve additional exemption notices. In that event, the execution levy shall only be effective as to the funds that were subject to the prior garnishment. Upon receipt of the writ of execution and exemption notices, the financial institution shall retain as much of the amount due under section 550.04 as the financial institution has on deposit owing to the judgment debtor, but not more than 110 percent of the amount remaining due on the judgment.

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF .....

JUDICIAL DISTRICT

.....(Judgment Creditor)

.....(Judgment Debtor)

TO: Debtor

EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (Bank or other financial institution where you have an account.)

Your account balance is \$.....

The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) relief based on need. This includes: Aid to Families with Dependent Children (AFDC), AFDC-Emergency Assistance (AFDC-EA), Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Work Readiness, Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) unemployment compensation, workers' compensation, or veterans' benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child *and any child support paid to you*; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every debtor's after tax earnings; and

(11) all of a judgment debtor's after tax earnings below 40 times the federal minimum wage.

#### TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the judgment creditor is being held in your account to give you a chance to claim an exemption.

#### TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the judgment creditor's attorney. In the event that there is no attorney for the judgment creditor, then the notice shall be sent directly to the judgment creditor. The address for the judgment creditor's attorney or the judgment creditor is set forth below. Both copies must be mailed or delivered on the same day.



If the financial institution does not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the judgment creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

**IF YOU CLAIM AN EXEMPTION:**

- (1) nonexempt money can be turned over to the judgment creditor or sheriff;
- (2) the financial institution will keep holding the money claimed to be exempt; and
- (3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

**IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:**

the institution will hold the money until a court decides if your exemption claim is valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the exemption **WITHIN TEN DAYS** after the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

**MOTION TO DETERMINE EXEMPTION:**

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

**PENALTIES:**

If you claim an exemption in bad faith, or if the judgment creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
.....  
.....  
.....

Name and address of  
(Attorney for) Judgment  
Creditor

**EXEMPTION:**

(a) Amount of exemption claim.

// I claim ALL the funds being held are exempt.

// I claim SOME of the funds being held are exempt.

The exempt amount is \$.....

(b) Basis for exemption.

Of the 11 categories listed above, I am in category number ..... (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

.....  
.....  
.....

(If the source is a type of relief based on need, list the case number and county:

case number: .....

county: .....

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above named creditor or its attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institute within the last six months.

I have mailed or delivered a copy of the exemption notice to the judgment creditor or judgment creditor's attorney if represented.

.....  
DEBTOR

DATED: .....

.....  
DEBTOR ADDRESS

Sec. 6. Minnesota Statutes 1992, section 550.37, subdivision 15, is amended to read:

Subd. 15. The earnings of the minor child of any debtor *and any child support paid to any debtor*, or the proceeds thereof, by reason of any liability of such debtor not contracted for the special benefit of such minor child."

Page 5, after line 28, insert:

"Sec. 9. Minnesota Statutes 1992, section 551.05, subdivision 1a, is amended to read:

Subd. 1a. [EXEMPTION NOTICE.] If the writ of execution is being used by the attorney to levy funds of a judgment debtor who is a natural person and if the funds to be levied are held on deposit at any financial institution, the attorney for the judgment creditor shall serve with the writ of execution two copies of an exemption notice. The notice must be substantially in the form set forth below. Failure of the attorney for the judgment creditor to send the exemption notice renders the execution levy void, and the financial institution shall take no action. However, if this subdivision is being used to execute on funds that have previously been garnished in compliance with section 571.71, the attorney for judgment creditor is not required to serve an additional exemption notice. In that event, the execution levy shall only be effective as to the funds that were subject to the prior garnishment. Upon receipt of the writ of execution and exemption notices, the financial institution shall retain as much of the amount due under section 550.04 as the financial

institution has on deposit owing to the judgment debtor, but not more than 100 percent of the amount remaining due on the judgment, or \$5,000, whichever is less.

The notice informing a judgment debtor that an execution levy has been used to attach funds of the judgment debtor to satisfy a claim must be substantially in the following form:

STATE OF MINNESOTA DISTRICT COURT  
County of ..... JUDICIAL DISTRICT

.....(Judgment Creditor)

.....(Judgment Debtor)

TO: Judgment Debtor EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (bank or other financial institution where you have an account).

Your account balance is \$.....

The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) relief based on need. This includes: Aid to Families with Dependent Children (AFDC), AFDC-Emergency Assistance (AFDC-EA), Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Work Readiness, Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) unemployment compensation, workers' compensation, or veterans' benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child and any child support paid to you; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every judgment debtor's after tax earnings; or

(11) all of a judgment debtor's after tax earnings below 40 times the federal minimum wage.

**TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:**

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the judgment creditor is being held in your account to give you a chance to claim an exemption.

**TO CLAIM AN EXEMPTION:**

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the judgment creditor's attorney. The address for the judgment creditor's attorney is set forth below. Both copies must be mailed or delivered on the same day.

If they do not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the attorney for the judgment creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

**IF YOU CLAIM AN EXEMPTION:**

(1) nonexempt money can be turned over to the judgment creditor or sheriff;

(2) the financial institution will keep holding the money claimed to be exempt; and

(3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

**IF THE JUDGMENT CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:**

the institution will hold the money until a court decides if your exemption claim is valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the exemption **WITHIN TEN DAYS** after the objection is mailed or given to you. You may wish to consult an attorney at once if the judgment creditor objects to your exemption claim.

**MOTION TO DETERMINE EXEMPTION:**

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

**PENALTIES:**

If you claim an exemption in bad faith, or if the judgment creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
.....  
.....  
.....

Name and address of  
(Attorney for) Judgment  
Creditor

**EXEMPTION:**

(a) Amount of exemption claim.

// I claim ALL the funds being held are exempt.

// I claim SOME of the funds being held are exempt.

The exempt amount is \$.....

(b) Basis for exemption.

Of the 11 categories listed above, I am in category number ..... (If more than one category applies, you may fill in as many as apply.) The source of the exempt funds is the following:

.....  
.....  
.....

(If the source is a type of relief based on need, list the case number and county:

case number: .....

county: .....

I hereby authorize any agency that has distributed relief to me or any correctional institution in which I was an inmate to disclose to the above named judgment creditor's attorney only whether or not I am or have been a recipient of relief based on need or an inmate of a correctional institute within the last six months.

I have mailed or delivered a copy of the exemption notice to the judgment creditor's attorney.

.....  
DEBTOR

DATED: .....

.....  
.....  
.....

DEBTOR ADDRESS"

Page 8, after line 4, insert:

"Sec. 13. Minnesota Statutes 1992, section 570.025, subdivision 6, is amended to read:

Subd. 6. [NOTICE.] The respondent shall be served with a copy of the preliminary attachment order issued pursuant to this section together with a

copy of all pleadings and other documents not previously served, including any affidavits upon which the claimant intends to rely at the subsequent hearing and a transcript of any oral testimony given at the preliminary hearing upon which the claimant intends to rely and a notice of hearing. Service shall be in the manner prescribed for personal service of a summons unless that service is impracticable or would be ineffective and the court prescribes an alternative method of service calculated to provide actual notice to the respondent.

The notice of hearing served upon the respondent shall be signed by claimant or the attorney for claimant and shall provide, at a minimum, the following information in substantially the following language:

#### NOTICE OF HEARING

To: (the respondent)

The (insert name of court) Court has ordered the sheriff to seize some of your property. The court has directed the sheriff to seize the following specific property: (insert list of property). (List other action taken by the court). Some of your property may be exempt from seizure. See the exemption notice below.

The Court issued this Order based upon the claim of (insert name of claimant) that (insert name of claimant) is entitled to a court order for seizure of your property to secure your payment of any money judgment that (insert name of claimant) may later be obtained against you and that immediate action was necessary.

You have the legal right to challenge (insert name of claimant) claims at a court hearing before a judge. The hearing will be held at the (insert place) on (insert date) at (insert time). You may attend the court hearing alone or with an attorney. After you have presented your side of the matter, the court will decide what should be done with your property until the lawsuit against you is finally decided.

**IF YOU DO NOT ATTEND THIS HEARING, THE COURT MAY ORDER THE SHERIFF TO KEEP PROPERTY THAT HAS BEEN SEIZED.**

#### EXEMPTION NOTICE

An order of attachment is being served upon you. Some of your property is exempt and cannot be seized. The following is a list of some of the more common exemptions: It is not complete and is subject to section 550.37, and other state and federal laws. If you have questions about an exemption, you should obtain competent legal advice.

1. A homestead or the proceeds from the sale of a homestead.
2. Household furniture, appliances, phonographs, radios, and televisions up to a total current value of \$4,500 at the time of attachment.
3. A manufactured (mobile) home used as your home.
4. One motor vehicle currently worth less than \$2,000 after deducting any security interests.
5. Farm machinery used by someone principally engaged in farming, or

tools, machines, or office furniture used in your business or trade. This exemption is limited to \$5,000.

6. Relief based on need. This includes Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), Minnesota Supplemental Assistance, and General Assistance.

7. Social Security benefits:

8. Unemployment compensation, workers' compensation, or veterans' benefits.

9. An accident disability or retirement pension or annuity.

10. Life insurance proceeds or the earnings of your minor child *and any child support paid to you.*

11. Money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a manufactured (mobile) home, or a car).

Sec. 14. Minnesota Statutes 1992, section 570.026, subdivision 2, is amended to read:

Subd. 2. [SERVICE.] The claimant's motion to obtain an order of attachment together with the claimant's affidavit and notice of hearing shall be served in the manner prescribed for service of a summons in a civil action in district court unless that service is impracticable or would be ineffective and the court prescribes an alternative method of service calculated to provide actual notice to the respondent. If the respondent has already appeared in the action, the motion shall be served in the manner prescribed for service of pleadings subsequent to the summons. The date of hearing shall be fixed in accordance with Rule 6 of the Minnesota Rules of Civil Procedure, unless a different date is fixed by order of the court.

The notice of hearing served upon the respondent shall be signed by the claimant or the attorney for the claimant and shall provide, at a minimum, the following information in substantially the following language:

#### NOTICE OF HEARING

TO: (the respondent)

A hearing will be held (insert place) on (insert date) at (insert time) to determine whether the sheriff shall seize nonexempt property belonging to you to secure a judgment that may be entered against you.

You may attend the court hearing alone or with an attorney. After you have presented your side of the matter, the court will decide what should be done with your property until the lawsuit which has been commenced against you is finally decided.

If the court directs the sheriff to seize and secure the property while the lawsuit is pending, you may still keep the property until the lawsuit is decided if you file a bond in an amount set by the court.

**IF YOU DO NOT ATTEND THIS HEARING, THE COURT MAY ORDER YOUR NONEXEMPT PROPERTY TO BE SEIZED.**

EXEMPTION NOTICE

Some of your property is exempt and cannot be attached. The following is a list of some of the more common exemptions. It is not complete and is subject to section 550.37, and other state and federal laws. If you have questions about an exemption you should obtain competent legal advice.

- 1. A homestead or the proceeds from the sale of a homestead.
- 2. Household furniture, appliances, phonographs, radios, and televisions up to a total current value of \$4,500 at the time of attachment.
- 3. A manufactured (mobile) home used as your home.
- 4. One motor vehicle currently worth less than \$2,000 after deducting any security interests.
- 5. Farm machinery used by someone principally engaged in farming, or tools, machines, or office furniture used in your business or trade. This exemption is limited to \$5,000.
- 6. Relief based on need. This includes Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), Minnesota Supplemental Assistance, and General Assistance.
- 7. Social Security benefits.
- 8. Unemployment compensation, workers' compensation, or veterans' benefits.
- 9. An accident disability or retirement pension or annuity.
- 10. Life insurance proceeds or the earnings of your minor child *and any child support paid to you.*
- 11. Money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a manufactured (mobile) home, or a car)."

Page 9, after line 23, insert:

"Sec. 17. Minnesota Statutes 1992, section 571.912, is amended to read:  
571.912 [FORM OF EXEMPTION NOTICE.]

The notice informing a debtor that an order for attachment, garnishment summons, or levy by execution has been used to attach funds of the debtor to satisfy a claim must be substantially in the following form:

STATE OF MINNESOTA	DISTRICT COURT
COUNTY OF .....	.....JUDICIAL DISTRICT
.....(Creditor)	
.....(Debtor)	

TO: Debtor EXEMPTION NOTICE

An order for attachment, garnishment summons, or levy of execution (strike inapplicable language) has been served on ..... (bank or other financial institution) ..... where you have an account.

Your account balance is \$.....



The amount being held is \$.....

However, all or a portion of the funds in your account will normally be exempt from creditors' claims if they are in one of the following categories:

(1) relief based on need. This includes: Aid to Families with Dependent Children (AFDC), AFDC-Emergency Assistance (AFDC-EA), Medical Assistance (MA), General Assistance (GA), General Assistance Medical Care (GAMC), Emergency General Assistance (EGA), Work Readiness, Minnesota Supplemental Aid (MSA), MSA Emergency Assistance (MSA-EA), Supplemental Security Income (SSI), and Energy Assistance;

(2) Social Security benefits (Old Age, Survivors, or Disability Insurance);

(3) unemployment compensation, workers' compensation, or veterans' benefits;

(4) an accident, disability, or retirement pension or annuity;

(5) life insurance proceeds;

(6) the earnings of your minor child *and any child support paid to you*; or

(7) money from a claim for damage or destruction of exempt property (such as household goods, farm tools, business equipment, a mobile home, or a car).

The following funds are also exempt:

(8) all earnings of a person in category (1);

(9) all earnings of a person who has received relief based on need, or who has been an inmate of a correctional institution, within the last six months;

(10) 75 percent of every debtor's after tax earnings; and

(11) all of a debtor's after tax earnings below 40 times the federal minimum wage.

#### TIME LIMIT ON EXEMPTIONS AFTER DEPOSIT IN BANK:

Categories (10) and (11): 20 days

Categories (8) and (9): 60 days.

All others: no time limit, as long as funds are traceable to the exempt source. (In tracing funds, the first-in, first-out method is used. This means money deposited first is spent first.) The money being sought by the creditor is being held in your account to give you a chance to claim an exemption.

#### TO CLAIM AN EXEMPTION:

Fill out, sign, and mail or deliver one copy of the attached exemption claim form to the institution which sent you this notice and mail or deliver one copy to the creditor's attorney. In the event that there is no attorney for the creditor, then such notice shall be sent directly to the creditor. The address for the creditor's attorney or the creditor is set forth below. Both copies must be mailed or delivered on the same day.

If they do not get the exemption claim back from you within 14 days of the date they mailed or gave it to you, they will be free to turn the money over to the sheriff or the creditor. If you are going to claim an exemption, do so as soon as possible, because your money may be held until it is decided.

**IF YOU CLAIM AN EXEMPTION:**

- (1) nonexempt money can be turned over to the creditor or sheriff;
- (2) the financial institution will keep holding the money claimed to be exempt; and
- (3) seven days after receiving your exemption claim, the financial institution will release the money to you unless before then it receives an objection to your exemption claim.

**IF THE CREDITOR OBJECTS TO YOUR EXEMPTION CLAIM:**

The institution will hold the money until a court decides if your exemption claim is valid, **BUT ONLY IF** the institution gets a copy of your court motion papers asserting the exemption **WITHIN TEN DAYS** after the objection is mailed or given to you. You may wish to consult an attorney at once if the creditor objects to your exemption claim.

**MOTION TO DETERMINE EXEMPTION:**

At any time after your funds have been held, you may ask for a court decision on the validity of your exemption claim by filing a request for hearing which may be obtained at the office of the court administrator of the above court.

**PENALTIES:**

If you claim an exemption in bad faith, or if the creditor wrongly objects to an exemption in bad faith, the court may order the person who acted in bad faith to pay costs, actual damages, attorney fees, and an additional amount of up to \$100.

.....  
.....  
.....  
.....

Name and address of  
(Attorney for) Judgment  
Creditor

**EXEMPTION:**

(If you claim an exemption complete the following):

- (a) Amount of exemption claim.
- // I claim **ALL** the funds being held are exempt.
- // I claim **SOME** of the funds being held are exempt.
- The exempt amount is \$:.....:
- (b) Basis for exemption.

Of the eleven categories listed above, I am in category number .....  
(If more than one category applies, you may fill in as many as apply.) The  
source of the exempt funds is the following:

.....  
.....  
.....

(If the source is a type of relief based on need, list the case number and  
county:

case number: .....

county: .....

I hereby authorize any agency that has distributed relief to me or any  
correctional institution in which I was an inmate to disclose to the above  
named creditor or its attorney only whether or not I am or have been a  
recipient of relief based on need or an inmate of a correctional institute within  
the last six months.

I have mailed or delivered a copy of the exemption notice to the creditor's  
attorney.

DATED: .....

.....  
DEBTOR

.....  
DEBTOR ADDRESS"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "exempting child support  
payments from execution;"

Page 1, line 7, after the semicolon, insert "550.143, subdivision 3; 550.37,  
subdivision 15;"

Page 1, line 8, after the semicolon, insert "551.05, subdivision 1a;"

Page 1, line 9, after the first semicolon, insert "570.025, subdivision 6;  
570.026, subdivision 2;" and after "3;" insert "571.912;"

And when so amended the bill do pass. Amendments adopted. Report  
adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform,  
to which was re-referred

S.F. No. 610: A bill for an act relating to economic development; adding the  
executive director of the higher education coordinating board to the Minnesota  
job skills partnership board; authorizing the use by the job skills partnership  
board of funds from any source for grants and dissemination of information;  
amending Minnesota Statutes 1992, sections 116L.03, subdivision 2; and  
116L.05, by adding a subdivision.

Reports the same back with the recommendation that 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. 1099: A bill for an act relating to Winona county; authorizing the county to negotiate contracts for solid waste management facilities, programs, and services.

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. 992: A bill for an act relating to pollution control; eliminating the pollution control agency board; creating the technical advisory council; expanding the duties of the commissioner; amending Minnesota Statutes 1992, sections 116.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116; repealing Minnesota Statutes 1992, sections 116.02, subdivisions 2, 3, and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 24, delete everything after "*are*"

Page 1, line 25, delete everything before the period and insert "*governed by section 15.059, subdivision 2*"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was re-referred

S.F. No. 1005: A bill for an act relating to the city of New Brighton; permitting the city to acquire granular carbon without a bond.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, delete "LOCAL APPROVAL" and insert "EFFECTIVE DATE"

Page 1, delete lines 14 to 16 and insert:

*"This act 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 re-referred

S.F. No. 304: A bill for an act relating to agriculture; requiring aquatic pest control applicators to be licensed; establishing categories of commercial

aquatic applicator and certified aquatic applicator; amending Minnesota Statutes 1992, section 18B.32.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1216: A bill for an act relating to drivers' licenses; clarifying requirement of endorsement for special transportation service drivers within the metropolitan area; abolishing examination requirement and certain fees for special transportation service drivers; providing for criminal records checks of special transportation service drivers; amending Minnesota Statutes 1992, sections 171.01, subdivision 24; 171.02, subdivision 2; 171.10, subdivision 2; 171.13, subdivision 5; and 171.323.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1.

Page 2, lines 9 to 12, delete the new language

Page 3, line 17, delete "(a)"

Page 3, lines 25 to 29, delete the new language

Pages 4 and 5, delete section 5 and insert:

"Sec. 4. [REPEALER.]

*Minnesota Statutes 1992, sections 171.01, subdivision 24; and 171.323, are repealed."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "providing for criminal"

Page 1, delete line 7

Page 1, line 8, delete "drivers;"

Page 1, line 9, delete "171.01, subdivision 24;"

Page 1, line 10, after "2;" insert "and" and delete everything after "5;" and insert "repealing Minnesota Statutes 1992, sections 171.01, subdivision 24; and 171.323."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 303: A bill for an act relating to motor vehicles; allowing value of rebuilt passenger vehicles to be determined by purchase price for taxation purposes; amending Minnesota Statutes 1992, section 168.013, subdivision 1a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 24 and 25, delete the new language

Page 2, line 4, before the period, insert “; *except the registrar shall establish for vehicles with a certificate of title marked “flood damaged,” “rebuilt,” or “reconstructed” as required under section 325F.6642 a value that is 15 percent less than the vehicle’s base value”*”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1254: A bill for an act relating to state government; revising laws governing the intergovernmental information systems advisory council; amending Minnesota Statutes 1992, section 16B.42.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, delete the third “*and*”

Page 2, line 5, after “*planning*” insert a comma

Page 2, line 16, delete the comma

Page 2, line 17, after the second “*the*” insert “*subcommittee on committees of the*”

Page 2, line 21, reinstate the stricken “15.059”

Page 2, line 22, delete the new language

Page 3, line 4, before the semicolon, insert “*with respect to intergovernmental information systems*”

Page 3, line 21, after “*membership*” insert a comma and delete “*shall*” and insert “*must*”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1228: A bill for an act relating to metropolitan government; requiring the transit commission to obtain consent to use parkways; amending Minnesota Statutes 1992, section 413.411, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, after “*parkway*” insert “*for regular route service*”

Page 1, line 23, delete “*any*” and insert “*reasonable*”

Page 1, line 24, after “*by*” insert “*a joint board consisting of two representatives from the transit commission, two members of*”

Page 1, line 25, after "city" insert ", and a fifth member jointly selected by the representatives of the transit commission and the park board" and after the period, insert:

*"A board of park commissioners, or other body having control of the parks or parkways, may designate persons to sit on the joint board. In considering a request by the transit commission to use designated parkways for additional routes or trips, the joint board consisting of the transit commission, the board of park commissioners, or other body having control of parks or parkways or their designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board."*

Amend the title as follows:

Page 1, line 4, delete "413.411" and insert "473.411"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 920: A bill for an act relating to the environment; providing for passive bioremediation; requiring staff to pay uncontested reimbursement claims at the direction of the commissioner of commerce; establishing a standard schedule of prices to pay for certain cleanup services; providing for reviews; modifying petroleum tank release cleanup fee; modifying reimbursements; modifying consultant and contractor registration requirements; authorizing rulemaking; amending Minnesota Statutes 1992, sections 115.061; 115C.02, subdivision 10; 115C.03, by adding subdivisions; 115C.07, subdivisions 2 and 3; 115C.08, subdivisions 1, 2, 3, and 4; 115C.09, subdivisions 1, 3, 3a, and by adding a subdivision; and 115C.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C; repealing Minnesota Statutes 1992, sections 115C.01; 115C.02; 115C.021; 115C.03; 115C.04; 115C.045; 115C.05; 115C.06; 115C.065; 115C.07; 115C.08; 115C.09; 115C.10; 115C.11; and 115C.12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 20, strike "The board may adopt emergency rules under this"

Page 3, delete line 21 and insert "~~subdivision for one year after June 4, 1987.~~"

Page 3, line 22, strike "(c)"

Page 3, line 33, delete "(d)" and insert "(c)"

Page 4, line 1, reinstate the stricken "(d)" and delete "(e)"

Page 4, delete lines 3 and 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 Crime Prevention, to which was re-referred

S.F. No. 1032: A bill for an act relating to commerce; regulating prize notices; requiring certain disclosures by solicitors; providing for reimbursement in certain cases; providing penalties and remedies; 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 2, line 10, delete "such"

Page 5, line 14, delete "A violation is intentional" and insert "It is evidence of intent"

Page 5, line 17, delete everything after "section" and insert a period

Page 5, delete line 18

Page 5, after line 26, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective October 1, 1993, 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 Crime Prevention, to which was re-referred

S.F. No. 876: A bill for an act relating to the environment; conditioning the use of state funds by the attorney general for investigation of environmental violations; allowing courts to dismiss proceedings against first-time violators of certain environmental provisions after a successful probationary period is completed; amending Minnesota Statutes 1992, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 8.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 to 3, delete section 2

Page 3, line 10, delete "3" and insert "2"

Page 3, line 11, delete everything after "effective" and insert "December 31, 1993."

Page 3, delete lines 12 to 14

Amend the title as follows:

Page 1, line 4, delete from "allowing" through page 1, line 9, to "subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 1104: A bill for an act relating to health; modifying provisions



relating to unlicensed mental health practitioners and sellers of hearing instruments; establishing enforcement provisions; providing penalties; amending Minnesota Statutes 1992, sections 148B.66, by adding a subdivision; 148B.70, subdivision 3; 153A.14, by adding a subdivision; 153A.15, subdivision 1; and 153A.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 214.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 1, line 27, after "*commissioner*" insert "*under this section*" and delete "*July*" and insert "*October*"

Page 6, after line 14, insert:

"Sec. 6. [EFFECTIVE DATE.]

*Sections 1 to 3 and 5 are effective October 1, 1993, and apply to crimes committed on or after that date.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything after "sections"

Page 1, line 7, delete "subdivision;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1290: A bill for an act relating to local government; permitting the cities of Bloomington, Edina, Richfield, Eden Prairie, and Minnetonka to establish a transportation demand management program.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 9 to 15

Page 1, line 16, delete "*Subd. 2. [AUTHORITY.]*"

Page 1, line 18, delete "*by ordinance*" and insert "*in consultation with the metropolitan council*" and after "*establish*" insert "*by ordinance*"

Page 1, line 19, delete "*, developers, and*" and insert "*and developers or*"

Page 1, line 23, after "*charge*" insert "*reasonable*"

Page 1, line 24, delete "*implement*" and insert "*administer*" and after "*the*" insert "*implementation of*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1454: A bill for an act relating to metropolitan government; providing for an advisory council on metropolitan governance.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 19, delete "*Upon the request of the*"

Page 2, line 20, delete "*advisory council,*" and delete "*offices*"

Page 2, line 22, before the period, insert "*when requested by the advisory council*"

Page 2, line 27, delete "*compensated*" and insert "*to be paid per diem and expenses*"

Page 2, line 28, delete "*3.101*" and insert "*3.099*"

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. 1074: A bill for an act relating to natural resources; management of state-owned lands by the department of natural resources; amending Minnesota Statutes 1992, sections 84.0273; 84.632; 92.06, subdivision 1; 92.14, subdivision 2; 92.19; 92.29; 92.67, subdivision 5; 94.10; 94.11; 94.13; and 94.348, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 14, strike "*The entire, or a portion of*" and after the stricken "*flowage*" insert "*All or part of*"

Page 2, line 15, strike "*in an amount*"

Page 2, line 20, strike "*shall be deposited in*" and insert "*must be credited to*"

Page 2, line 22, delete "*shall be deposited in*" and insert "*must be credited to*"

Page 2, after line 23, insert:

"Sec. 3. Minnesota Statutes 1992, section 85.015, is amended by adding a subdivision to read:

*Subd. 1a. [PRIVATE SUBSURFACE USE OF TRAILS.] Notwithstanding section 272.68, subdivision 3, the commissioner may issue a permit, without a fee, to allow a person who owns land adjacent to a trail established under this section on land owned by the state in fee to continue a subsurface use of the trail right-of-way, if:*

*(1) the person was carrying on the use when the state acquired the land for the trail; and*

*(2) the use does not interfere with the public's use of the trail.*

Sec. 4. Minnesota Statutes 1992, section 86A.05, subdivision 14, is amended to read:

Subd. 14. [AQUATIC MANAGEMENT AREAS.] (a) Aquatic management areas may be established to protect, develop, and manage lakes, rivers, streams, and adjacent wetlands and lands that are critical for fish and other aquatic life, for water quality, and for their intrinsic biological value, public fishing, or other compatible outdoor recreational uses.

(b) *Aquatic management areas may be established to protect wetland areas under ten acres that are donated to the department of natural resources.*

(c) No unit may be authorized unless it meets one or more of the following criteria:

- (1) provides angler or management access;
- (2) protects fish spawning, rearing, or other unique habitat;
- (3) protects aquatic wildlife feeding and nesting areas;
- (4) protects critical shoreline habitat; or
- (5) provides a site for research on natural history.

(e) (d) Aquatic management areas must be administered by the commissioner of natural resources in a manner consistent with the purposes of this subdivision to perpetuate and, if necessary, reestablish high quality aquatic habitat for production of fish, wildlife, and other aquatic species. Public fishing and other uses shall be consistent with the limitations of the resource, including the need to preserve adequate populations and prevent long-term habitat injury or excessive fish population reduction or increase. Public access to aquatic management areas may be closed during certain time periods."

Page 2, line 35, after "*subdivision*" insert a comma

Page 3, lines 4 and 5, delete "*shall*" and insert "*must*"

Page 3, line 6, delete "*follows*" and insert "*provided in paragraph (c)*"

Page 3, line 15, delete "*shall be*" and insert "*is*"

Page 3, line 17, delete "*following*"

Page 3, line 18, delete everything before the comma and insert "*after July 1, 1993*" and delete "*shall be*" and insert "*is*"

Page 6, line 26, delete "*of*"

Page 6, line 27, delete "*natural resources*"

Page 7, line 17, delete "*shall be*" and insert "*are the same as*"

Page 8, line 4, delete "*shall recite*" and insert "*must state*"

Page 8, after line 8, insert:

"Sec. 13. Minnesota Statutes 1992, section 94.343, subdivision 3, is amended to read:

Subd. 3. (a) Except as otherwise herein provided, Class A land shall be exchanged only for land of at least substantially equal value to the state, as determined by the commissioner, with the approval of the board. For the purposes of such determination, the commissioner shall cause the state land and the land proposed to be exchanged therefor to be examined and appraised by qualified state appraisers as provided in section 84.0272; provided, that in

exchanges with the United States or any agency thereof the examination and appraisal may be made in such manner as the land exchange board may direct. The appraisers shall determine the fair market value of the lands involved, disregarding any minimum value fixed for state land by the state constitution or by law, and shall make a report thereof, together with such other pertinent information respecting the use and value of the lands to the state as they deem pertinent or as the commissioner or the board may require. Such reports shall be filed and preserved in the same manner as other reports of appraisal of state lands. The appraised values shall not be conclusive, but shall be taken into consideration by the commissioner and the board, together with such other matters as they deem material, in determining the values for the purposes of exchange.

(b) For the purposes of this subdivision, "substantially equal value" means:

(1) where the values of the lands being exchanged are both over 100 acres, their values do not differ by more than ten percent; and

(2) in other cases, the values of the exchanged lands do not differ by more than 20 percent."

Page 8, line 13, strike "retained by the board" and delete ", deposited in" and insert "credited to"

Page 8, line 14, delete the comma

Page 8, line 15, delete "and immediately available"

Page 8, after line 21, insert:

"Sec. 15. Minnesota Statutes 1992, section 97A.135, subdivision 2, is amended to read:

Subd. 2. [DISPOSAL OF UNSUITABLE HUNTING AREAS.] The commissioner shall sell or exchange land acquired for public hunting that is unnecessary or unsuitable. The land may not be sold for less than its purchase price. The land may be exchanged for land of equal value that adds to existing public hunting areas. The sales and exchanges must be approved by the executive council. *This subdivision does not apply to land in a wildlife management area.*

Sec. 16. Minnesota Statutes 1992, section 97A.135, is amended by adding a subdivision to read:

Subd. 2a. [DISPOSAL OF LAND IN WILDLIFE MANAGEMENT AREAS.] (a) *The commissioner may sell or exchange land in a wildlife management area authorized by designation under section 86A.07, subdivision 3, or 97A.145 if the commissioner vacates the designation before the sale or exchange in accordance with this subdivision. The designation may be vacated only if the commissioner finds, after a public hearing, that the land no longer meets the criteria in section 86A.05, subdivision 8.*

(b) *A sale under this subdivision is subject to sections 94.09 to 94.16. An exchange under this subdivision is subject to sections 94.341 to 94.348.*

(c) *Revenue received from a sale authorized under paragraph (a) is appropriated to the commissioner for acquisition of replacement wildlife management lands.*

(d) Land acquired by the commissioner under this subdivision must meet the criteria in section 86A.05, subdivision 8, and as soon as possible after the acquisition must be designated as a wildlife management area under section 86A.07, subdivision 3, or 97A.145.

(e) In acquiring land under this subdivision, the commissioner must give priority to land within the same geographic region of the state as the land conveyed.

Sec. 17. [EFFECTIVE DATE.]

This act is effective the day following final enactment, except that sections 15 and 16 are effective August 1, 1993, and do not apply to purchase agreements executed before that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "private use of state trails; appropriating money;"

Page 1, line 5, after "84.632;" insert "85.015, by adding a subdivision; 86A.05, subdivision 14;"

Page 1, line 7, delete "and" and insert "94.343, subdivision 3;" and before the period, insert "; and 97A.135, subdivision 2, and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 948: A bill for an act relating to insurance; property; regulating the FAIR plan; modifying its provisions; making various technical changes; amending Minnesota Statutes 1992, sections 65A.31; 65A.32; 65A.33, subdivisions 4, 5, and 6; 65A.34; 65A.35; 65A.36; 65A.37; 65A.375; 65A.38; 65A.39; 65A.40; 65A.41; and 65A.42; repealing Minnesota Statutes 1992, sections 65A.33, subdivision 8; and 65A.43.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 579: A bill for an act relating to retirement; the public employees retirement association; increasing the pension benefit multiplier for the public employees police and fire fund; amending Minnesota Statutes 1992, sections 353.651, subdivision 3; and 353.656, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1992, section 353.65, is amended by adding a subdivision to read:

*Subd. 3a. [INCREASE IN EMPLOYEE AND EMPLOYER CONTRIBUTIONS IN CERTAIN INSTANCES.] (a) In addition to the contribution rates in effect under subdivisions 2 and 3, if the most recent regular actuarial valuation of the public employees police and fire fund under section 356.215 indicates that the fund has an unfunded actuarial accrued liability and that there is a deficiency when the total actuarial funding requirements of the fund are compared to the total support, expressed as a percentage of covered payroll, the employee and employer contribution rates must be increased.*

*(b) The increase in the employee contribution rate is 40 percent of the deficiency in total support indicated under paragraph (a), expressed as a percentage of covered payroll. The increase in the employer contribution rate is the balance of that percentage rate deficiency.*

*(c) The contribution rate increase must be determined by the executive director of the public employees retirement association.*

*(d) The contribution rate increase is effective on the January 1 next following the actuarial valuation disclosing the deficiency specified in paragraph (a). The increased contribution rate continues until the regular actuarial valuations of the public employees police and fire fund under section 356.215 no longer indicates that there is a deficiency when the total actuarial funding requirements of the fund are compared to the total support."*

Page 2, after line 11, insert:

**"Sec. 4. [PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN: ELECTION OF COVERAGE IN CERTAIN INSTANCES.]**

*(a) Notwithstanding any provision to the contrary in Minnesota Statutes, chapter 353 or 353D, a person described in paragraph (b) is eligible to elect contributions for prior service under paragraph (c) and coverage for future public employment under paragraph (d).*

*(b) A person eligible to make the elections provided for in this section is a person who:*

*(1) was born on March 3, 1939;*

*(2) was an elected official of Blackberry township during the period March 1972 through March 1990;*

*(3) became an employee of the city of Deer River in March 1987; and*

*(4) is a member of the coordinated program of the public employees retirement association under Minnesota Statutes, chapter 353, on the effective date of this section.*

*(c) An eligible person may elect to make member contributions for prior service as an elected official of Blackberry township to the public employees defined contribution plan under Minnesota Statutes, chapter 353D. The election must be made on a form prescribed by the executive director of the public employees retirement association. The election form must be accompanied with a lump sum payment of prior member contributions of \$1,937.93, plus interest on that amount at an annual compound rate of six percent from July 1, 1993, to the date payment is made, if payment is made after July 1, 1993. If the person pays the prior member contributions, the employing governmental subdivision for the March 1972, through March 1990, period shall pay, in a lump sum, \$2,447.69 plus interest on that amount at an annual*

*compound rate of six percent from July 1, 1993, to the date payment is made, and shall make that payment within 60 days of the payment of the prior member contribution amount and receipt of a notice from the executive director of the public employees retirement association. The amounts under this paragraph must be deposited in the Minnesota supplemental investment fund to the credit of the person making the member contribution amount as provided in Minnesota Statutes, section 353D.05. Authority to make the prior service member contributions under this paragraph expires on July 1, 1994.*

*(d) An eligible person may elect to participate in the public employees defined contribution plan governed by Minnesota Statutes, chapter 353D, rather than the coordinated program of the public employees retirement association governed by Minnesota Statutes, chapter 353, for future service as an employee of the city of Deer River after June 30, 1993. The election under this paragraph must be made by July 1, 1993. No refund under Minnesota Statutes, section 353.34, is payable unless the person terminates public employment qualifying for coverage under Minnesota Statutes, chapter 353 or 353D."*

Page 2, line 13, delete "and 2" and insert "to 3"

Page 2, line 14, after the period, insert "Section 4 is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "fund;" insert "permitting election of coverage in the public employees defined contribution plan for certain former elected officials;" and after "sections" insert "353.65, 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1064: A bill for an act relating to retirement; alternative retirement coverage for certain state university and community college teachers; amending Minnesota Statutes 1992, section 352D.02, by adding a subdivision; and Laws 1990, chapter 570, article 10, section 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, delete line 21

Page 2, line 22, delete "Sections 2 and 3" and insert:  
"Sections 1 and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after "amending"

Page 1, line 5, delete everything before "Laws"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 580: A bill for an act relating to local government; providing for the preparation and review of accounts; providing for duties of the state auditor; providing for the costs of examinations; defining the limits to various types of compensation; providing procedures for the satisfaction of claims; providing procedures for the removal of city managers; limiting certain high risk investments; amending Minnesota Statutes 1992, sections 6.56; 16B.06, subdivision 4; 43A.17, subdivision 9; 340A.602; 375.162, subdivision 2; 375.18, by adding subdivisions; 412.271, subdivision 1, and by adding subdivisions; 412.641; subdivision 1; and 475.66, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 6; 465; and 471.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 4 and 5, delete section 4

Page 6, lines 14 to 27, delete the new language and insert "*Other forms of compensation that must be included to determine an employee's total compensation are all other direct and indirect items of compensation that are not specifically excluded by this subdivision. Other forms of compensation that may not be included in a determination of an employee's total compensation for the purposes of this subdivision are:*

*(1) employee benefits that are also provided for the majority of all other full-time employees of the political subdivision, vacation and sick leave allowances, health and dental insurance, disability insurance, term life insurance, and pension benefits;*

*(2) dues paid to organizations that are of a civic, professional, educational, or governmental nature; and*

*(3) reimbursement for actual expenses incurred by the employee that the governing body determines to be directly related to the performance of job responsibilities, including any relocation expenses paid during the initial year of employment.*

*The value of other forms of compensation is the annual cost to the political subdivision for the provision of the compensation."*

Page 11, line 17, delete "50" and insert "60"

Page 11, line 24, delete everything after "employee" and insert "includes"

Page 11, line 25, delete everything before "benefits"

Page 11, line 26, after "for" insert "accumulated vacation, accumulated sick leave, and"

Page 12, line 17, delete "or"

Page 12, line 23, before the period, insert "; or"



(3) *the severance pay benefit was adopted in a public meeting by resolution of the governing body of the local unit of government before January 1, 1993, and the termination of employment occurs before the expiration date of the period covered by the resolution*"

Page 13, line 30, delete everything after "(1)"

Page 13, line 31, delete "to respond to a" and insert "in connection with" and delete "emergency" and insert "activities"

Page 14, line 11, delete "marked"

Page 17, line 22, delete "19" and insert "18"

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 255: A bill for an act relating to retirement; providing continued coverage in the Minnesota state retirement system for certain employees; amending Minnesota Statutes 1992, sections 352.01, subdivision 2a; and 352.04, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, after line 9, insert:

"Sec. 3. [STUDY OF BENEFIT OPTIONS FOR PUBLIC EMPLOYEES WHO BECOME NONPUBLIC EMPLOYEES.]

*The legislative commission on pensions and retirement shall study the issue of benefit options for public employees who become nonpublic employees for the purpose of ensuring that the employees have the same or similar benefits subsequent to public employment as they did during public employment. The commission shall report the results of the study and any proposed legislation to the chairs of the committee on governmental operations and gaming and the committee on ways and means of the house of representatives and the committee on governmental operations and reform and the committee on finance of the senate by January 15, 1994."*

Page 3, line 10, delete "3" and insert "4"

Page 3, line 11, delete "and 2" and insert "to 3" and after the period, insert "Section 1 applies retroactively to July 1, 1992, and contributions for that retroactive application period must be paid to the state employees retirement fund, plus interest at the annual compound rate of 8.5 percent."

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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 833: A bill for an act relating to retirement; public employees retirement association; permitting payment in lieu of salary deductions to obtain service credit notwithstanding a one-year time limitation.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, after "1." insert "[ELECTION AUTHORIZATION.]"

Page 1, line 9, after "payments" insert "for a period of an authorized leave of absence without pay"

Page 1, line 11, after "make" insert "a"

Page 1, line 12, after "periods" insert "of authorized leave of absence without pay occurring"

Page 1, line 13, after the first "1990" insert a comma and after "1991" insert a comma

Page 1, line 15, after "2." insert "[AMOUNT OF PAYMENT.]" and after "payment" insert "under subdivision 1"

Page 1, line 22, after the period, insert "Any amount under this subdivision that is not paid by Ramsey county must be paid by the person described in subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1342: A bill for an act relating to business corporations; amending Minnesota Statutes 1992, section 302A.011, subdivision 6a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1192: A bill for an act relating to courts; making the housing calendar-consolidation projects in the second and fourth judicial districts permanent law; providing that the law requiring that fines collected for violations of building repair orders must be used for the housing calendar consolidation projects is permanent; amending Laws 1989, chapter 328, article 2, section 17; repealing Laws 1989, chapter 328, article 2, sections 18 and 19.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1075: A bill for an act relating to civil actions; including arbitration awards under the collateral source statute; amending Minnesota Statutes 1992, section 548.36, subdivisions 1, 2, 3, and 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 673: A bill for an act relating to human services; modifying provisions dealing with the administration, computation, and enforcement of child support; imposing penalties; amending Minnesota Statutes 1992, sections 136A.121, subdivision 2; 214.101, subdivision 1; 256.87, subdivisions 1, 1a, 3, and 5; 256.978; 256.979, by adding subdivisions; 256.9791, subdivisions 3 and 4; 257.66, subdivision 3; 257.67, subdivision 3; 257.69, subdivision 1; 518.14; 518.171, subdivisions 1, 2, 3, 4, 6, 7, 8, 10, and by adding a subdivision; 518.24; 518.54, subdivision 4; 518.551, subdivisions 1, 5, 5b, 7, 10, and 12; 518.57, subdivision 1, and by adding a subdivision; 518.611, subdivision 4; 518.613, subdivision 1; 518.64, subdivisions 1, 2, 5, and 6; 548.09, subdivision 1; 548.091, subdivision 3a; 588.20; and 609.375, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 256; and 518; repealing Minnesota Statutes 1992, sections 256.979; and 609.37.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 8, after "sections" insert "*256.031 to 256.0361*," and after "256.87" insert a comma

Page 4, line 5, after "sections" insert "*256.031 to 256.0361*,"

Page 4, line 6, after "256.87" insert a comma

Page 5, line 5, strike "carry out the child support"

Page 5, strike line 6

Page 5, line 7, strike "have, or appear to have," and before "a" insert "*locate a person to establish paternity, child support, or to enforce*"

Page 5, line 8; before the comma, insert "*in arrears*"

Page 5, line 15, after "information" insert "*of the person's whereabouts*" and reinstate the stricken "written"

Page 5, line 25, strike everything after "Information"

Page 5, strike line 26

Page 5, line 27, strike everything before "requested"

Page 5, line 29, strike everything after "section"

Page 5, line 30, strike "make such information" and insert "*be made*"

Page 5, line 34, strike "who have, or appear to have," and reinstate the stricken period

Page 6, line 2, delete "*a child support*"

Page 6, line 3, delete "*obligation*" and insert "*The commissioner may not release the information to an agency or political subdivision of another state unless the agency or political subdivision agrees to maintain the data consistent with its classification in this state*"

Page 6, line 7, after "A" insert "*written*"

Page 6, line 18, delete everything after "*companies*" and insert "*is limited to*"

Page 6, line 20, after "*income,*" insert "*employer and*"

Page 6, lines 21 and 34, before "*reasonable*" insert "*an arrearage of child support and there is*"

Page 6, line 23, delete "*due*"

Page 6, line 24, delete "*to illness, injury, or accident*"

Page 6, lines 25 and 31, delete "*includes, but is not limited to,*" and insert "*is limited to*"

Page 7, line 3, delete "*includes, but is not limited to,*" and insert "*is limited to*"

Page 7, line 10, delete the first "*and*" and insert "*gas,*" and delete the second "*and*" and insert "*or*"

Page 9, line 36, delete "*Two*"

Page 11, line 19, delete "*may*" and insert "*shall*"

Page 14, lines 5 to 7, delete the new language

Page 15, line 10, reinstate the stricken language and before the reinstated "*Unless*" insert "*(a)*"

Page 15, line 11, reinstate the stricken language

Page 15, line 12, reinstate the stricken language and delete "*(a)*"

Page 15, lines 16 to 21, delete the new language

Page 16, line 26, delete "*may*" and insert "*shall*"

Page 18, line 24, after "*that*" insert "*willfully*"

Page 18, line 29, before "*failed*" insert "*willfully*"

Page 18, line 31, delete "*40*" and insert "*41*"

Page 21, line 14, delete "*a finding by the court*" and insert "*prima facie evidence*"

Page 24, line 28, before "*Pension*" insert "*Mandatory*" and after "*Deductions*" insert "*, or Voluntary Pension Deductions*"

Page 24, line 29, delete "*to Exceed*" and insert "*Exceeding*"

Page 24, delete line 36

Page 25, delete lines 1 and 2

Page 26, line 2, after the period, insert "*The court may allow the noncustodial parent to care for the child while the custodial parent is working if this arrangement is reasonable and in the best interests of the child.*"

Page 29, line 5, delete "*give them*" and insert "*provide*"

Page 29, line 9, before the period, insert "*, unless the request is not made in good faith*"

Page 29, line 11, after the period, insert "A request under this paragraph may not be made more than once every two years, in the absence of good cause."

Page 33, after line 15, insert:

"Sec. 36. [518.561] [EMPLOYER QUESTIONNAIRE AND NOTICE.]

*The commissioner of human services shall prepare a questionnaire for use by employers in obtaining information from employees for purposes of complying with sections 518.171, subdivision 2a, and 518.611, subdivision 8. The commissioner shall arrange for public dissemination of the questionnaires and notice to employers of the requirements of these provisions."*

Page 35, line 13, delete "40" and insert "41"

Page 36, line 4, after "has" insert "intentionally"

Page 36, line 11, after "funds" insert "intentionally"

Page 37, line 13, delete "or"

Page 37, line 14, before the period, insert " ; or (6) the addition or elimination of work-related child care expenses of the obligee or a substantial increase or decrease in existing work-related child care expenses"

Page 38, delete lines 16 to 20

Page 41, after line 1, insert:

"Sec. 46. Minnesota Statutes 1992, section 541.04, is amended to read:  
541.04 [JUDGMENTS, TEN YEARS.]

*No action shall be maintained upon a judgment or decree of a court of the United States, or of any state or territory thereof, unless begun within ten years after the entry of such judgment, or within 20 years if the judgment is for child support."*

Page 41, line 15, before the period, insert " , or for 20 years after its entry if the judgment is for child support"

Page 41, line 26, before the period, insert " , or for 20 years after its entry if the judgment is for child support"

Page 41, after line 28, insert:

"Sec. 49. Minnesota Statutes 1992, section 550.01, is amended to read:  
550.01 [ENFORCEMENT OF JUDGMENT.]

*The party in whose favor a judgment is given, or the assignee of such judgment, may proceed to enforce the same, at any time within ten years after the entry thereof, or within 20 years after entry if the judgment is for child support, in the manner provided by law."*

Page 42, after line 23, insert:

"Sec. 51. Minnesota Statutes 1992, section 595.02, subdivision 1, is amended to read:

Subdivision 1. [COMPETENCY OF WITNESSES.] Every person of sufficient understanding, including a party, may testify in any action or

proceeding, civil or criminal, in court or before any person who has authority to receive evidence, except as provided in this subdivision:

(a) A husband cannot be examined for or against his wife without her consent, nor a wife for or against her husband without his consent, nor can either, during the marriage or afterwards, without the consent of the other, be examined as to any communication made by one to the other during the marriage. This exception does not apply to a civil action or proceeding by one against the other, nor to a criminal action or proceeding for a crime committed by one against the other or against a child of either or against a child under the care of either spouse, nor to a criminal action or proceeding in which one is charged with homicide or an attempt to commit homicide and the date of the marriage of the defendant is subsequent to the date of the offense, nor to an action or proceeding for nonsupport, neglect, dependency, or termination of parental rights.

(b) An attorney cannot, without the consent of the attorney's client, be examined as to any communication made by the client to the attorney or the attorney's advice given thereon in the course of professional duty; nor can any employee of the attorney be examined as to the communication or advice, without the client's consent.

*(c) An attorney employed by, under contract to, or representing a public authority in connection with a child support enforcement program cannot, without the consent of an individual applying for child support services or the consent of an AFDC recipient whose right to support has been assigned, be examined as to any communication made by the individual applicant or the AFDC recipient to the attorney, or communications made by the attorney to the individual applicant or the AFDC recipient in the course of the attorney's representation of the public authority in connection with a child support enforcement program; nor can an employee of the attorney be examined as to the communication, without the consent of the individual applicant or the AFDC recipient.*

(e) (d) A member of the clergy or other minister of any religion shall not, without the consent of the party making the confession, be allowed to disclose a confession made to the member of the clergy or other minister in a professional character, in the course of discipline enjoined by the rules or practice of the religious body to which the member of the clergy or other minister belongs; nor shall a member of the clergy or other minister of any religion be examined as to any communication made to the member of the clergy or other minister by any person seeking religious or spiritual advice, aid, or comfort or advice given thereon in the course of the member of the clergy's or other minister's professional character, without the consent of the person.

(e) (e) A licensed physician or surgeon, dentist, or chiropractor shall not, without the consent of the patient, be allowed to disclose any information or any opinion based thereon which the professional acquired in attending the patient in a professional capacity, and which was necessary to enable the professional to act in that capacity; after the decease of the patient, in an action to recover insurance benefits, where the insurance has been in existence two years or more, the beneficiaries shall be deemed to be the personal representatives of the deceased person for the purpose of waiving this privilege, and no oral or written waiver of the privilege shall have any binding

force or effect except when made upon the trial or examination where the evidence is offered or received.

(e) (f) A public officer shall not be allowed to disclose communications made to the officer in official confidence when the public interest would suffer by the disclosure.

(f) (g) Persons of unsound mind and persons intoxicated at the time of their production for examination are not competent witnesses if they lack capacity to remember or to relate truthfully facts respecting which they are examined.

(g) (h) A registered nurse, psychologist or consulting psychologist shall not, without the consent of the professional's client, be allowed to disclose any information or opinion based thereon which the professional has acquired in attending the client in a professional capacity, and which was necessary to enable the professional to act in that capacity.

(h) (i) An interpreter for a person handicapped in communication shall not, without the consent of the person, be allowed to disclose any communication if the communication would, if the interpreter were not present, be privileged. For purposes of this section, a "person handicapped in communication" means a person who, because of a hearing, speech or other communication disorder, or because of the inability to speak or comprehend the English language, is unable to understand the proceedings in which the person is required to participate. The presence of an interpreter as an aid to communication does not destroy an otherwise existing privilege.

(i) (j) Licensed chemical dependency counselors shall not disclose information or an opinion based on the information which they acquire from persons consulting them in their professional capacities, and which was necessary to enable them to act in that capacity, except that they may do so:

(1) when informed consent has been obtained in writing, except in those circumstances in which not to do so would violate the law or would result in clear and imminent danger to the client or others;

(2) when the communications reveal the contemplation or ongoing commission of a crime; or

(3) when the consulting person waives the privilege by bringing suit or filing charges against the licensed professional whom that person consulted.

(j) (k) A parent or the parent's minor child may not be examined as to any communication made in confidence by the minor to the minor's parent. A communication is confidential if made out of the presence of persons not members of the child's immediate family living in the same household. This exception may be waived by express consent to disclosure by a parent entitled to claim the privilege or by the child who made the communication or by failure of the child or parent to object when the contents of a communication are demanded. This exception does not apply to a civil action or proceeding by one spouse against the other or by a parent or child against the other, nor to a proceeding to commit either the child or parent to whom the communication was made or to place the person or property or either under the control of another because of an alleged mental or physical condition, nor to a criminal action or proceeding in which the parent is charged with a crime committed against the person or property of the communicating child, the parent's spouse, or a child of either the parent or the parent's spouse, or in which a child is charged with a crime or act of delinquency committed against

the person or property of a parent or a child of a parent, nor to an action or proceeding for termination of parental rights, nor any other action or proceeding on a petition alleging child abuse, child neglect, abandonment or nonsupport by a parent.

~~(k)~~ (l) Sexual assault counselors may not be compelled to testify about any opinion or information received from or about the victim without the consent of the victim. However, a counselor may be compelled to identify or disclose information in investigations or proceedings related to neglect or termination of parental rights if the court determines good cause exists. In determining whether to compel disclosure, the court shall weigh the public interest and need for disclosure against the effect on the victim, the treatment relationship, and the treatment services if disclosure occurs. Nothing in this clause exempts sexual assault counselors from compliance with the provisions of sections 626.556 and 626.557.

“Sexual assault counselor” for the purpose of this section means a person who has undergone at least 40 hours of crisis counseling training and works under the direction of a supervisor in a crisis center, whose primary purpose is to render advice, counseling, or assistance to victims of sexual assault.

~~(j)~~ (m) A person cannot be examined as to any communication or document, including worknotes, made or used in the course of or because of mediation pursuant to an agreement to mediate. This does not apply to the parties in the dispute in an application to a court by a party to have a mediated settlement agreement set aside or reformed. A communication or document otherwise not privileged does not become privileged because of this paragraph. This paragraph is not intended to limit the privilege accorded to communication during mediation by the common law.

~~(m)~~ (n) A child under ten years of age is a competent witness unless the court finds that the child lacks the capacity to remember or to relate truthfully facts respecting which the child is examined. A child describing any act or event may use language appropriate for a child of that age.”

Page 43, line 7, after “SYSTEM” insert “; CENTRAL DEPOSITORY OR OTHER FISCAL AGENT”

Page 43, line 9, after “agencies” insert “and other persons with relevant expertise”

Page 43, line 10, after “on” insert “: (1)”

Page 43, line 14, before the period, insert “; and (2) the feasibility of establishing a central depository or designating a fiscal agent for receipt of child support payments”

Page 43, line 15, after “system” insert “and use of a central depository or fiscal agent”

Page 43, line 16, delete “the system” and insert “them”

Page 43, after line 28, insert:

“Sec. 56. [ADMINISTRATIVE PROCESS FOR CHILD SUPPORT.]

*The commissioner of human services, in consultation with the commissioner's advisory committee for child support enforcement, shall develop a plan to restructure the administrative process for setting, modifying, and enforcing*



*child support under Minnesota Statutes, section 518.551, subdivision 10. The goal of the plan is to implement a state-administered administrative process that is informal, uniform throughout the state, and accessible to parties without counsel. The commissioner shall report to the legislature by January 15, 1994."*

Page 44, line 8, delete "47 to 49, and 53" and insert "50, 52, 53, and 58"

Page 44, after line 11, insert:

*"(e) The provisions of sections 46 to 49 extending the length of child support judgments from ten years to 20 years apply to judgments entered on or after the effective date."*

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 15, after "6," insert "541.04;"

Page 1, line 16, after "3a;" insert "550.01;"

Page 1, line 17, after the first semicolon, insert "595.02, subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Family Services. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 643: A bill for an act relating to medical assistance; increasing asset allowances; removing the 30-month limitation on prohibited transfers for medical assistance eligibility; requiring the commissioner of human services to seek necessary federal law changes or waivers; providing for medical assistance liens on real property; appropriating money; amending Minnesota Statutes 1992, sections 256B.059, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, and by adding a subdivision; and 256B.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 514.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 23, delete "\$70,740" and insert "prior to July 1, 1994,

(i) \$14,148"

Page 1, line 24, strike "(2)" and insert "(ii)" and strike "60,000" and insert "\$70,740"

Page 1, line 25, strike "(3)" and insert "(iii)"

Page 1, line 26, before the period, insert ";

(2) for the period from July 1, 1994, to June 30, 1995,

(i) \$20,000;

(ii) the lesser of the spousal share or \$70,740; or

(iii) the amount required by court order to be paid to the community spouse; and

(3) for the period beginning July 1, 1995,

(i) \$70,740; or

(ii) *the amount required by court order to be paid to the community spouse*"

Page 2, line 7, delete the new language and insert "*this subdivision*"

Page 2, lines 11 and 12, delete the new language

Page 2, line 20, delete "\$70,740" and insert "*prior to July 1, 1994,*

(i) \$14,148"

Page 2, line 21, strike "(2)" and insert "(ii)" and strike "60,000" and insert "\$70,740"

Page 2, line 22, strike "(3)" and insert "(iii)"

Page 2, line 23, before the period, insert ";

(2) *for the period from July 1, 1994, to June 30, 1995,*

(i) \$20,000;

(ii) *the lesser of the spousal share or \$70,740; or*

(iii) *the amount required by court order to be paid to the community spouse;*  
and

(3) *for the period beginning July 1, 1995,*

(i) \$70,740; or

(ii) *the amount required by court order to be paid to the community spouse*"

Page 3, line 19, strike from "(a)" through page 3, line 22, to "under"

Page 3, line 23, strike "section 256B.056, subdivision 3," and strike "before or any"

Page 3, line 24, strike from "time" through page 3, line 25, to "or"

Page 3, line 26, strike from "before" through page 3, line 30, to "2" and insert "*No person, a person's spouse, nor a person's authorized representative may give away, sell, or dispose of, for less than fair market value, any asset or interest therein, for the purpose of establishing or maintaining medical assistance eligibility. For purposes of determining eligibility for medical assistance, any transfer of an asset for less than fair market value may be considered. Any transfer made within 60 months preceding application for medical assistance or during the period of medical assistance eligibility is presumed to have been made for the purpose of establishing or maintaining medical assistance eligibility and the person is ineligible for medical assistance for the period of time determined under subdivision 2, unless the person furnishes convincing evidence to establish that the transaction was exclusively for another purpose. Any other transfer of an asset for less than fair market value more than 60 months prior to application for medical assistance eligibility may be considered for purposes of determining eligibility*"

Page 5, line 3, after "transferred" insert "*. In calculating the value of uncompensated transfers, uncompensated transfers not to exceed \$1,000 in total value per month shall be disregarded for each month prior to the month of application for medical assistance*"

Pages 5 and 6, delete section 5 and insert:

"Sec. 5. Minnesota Statutes 1992, section 256B.0595, subdivision 3, is amended to read:

Subd. 3. [HOMESTEAD EXCEPTION TO TRANSFER PROHIBITION.]  
(a) An institutionalized person is not ineligible for ~~long-term care~~ *medical assistance* services due to a transfer of assets for less than fair market value if the asset transferred was a homestead and:

- (1) title to the homestead was transferred to the individual's
    - (i) spouse;
    - (ii) child who is under age 21;
    - (iii) blind or permanently and totally disabled child as defined in the supplemental security income program;
    - (iv) sibling who has equity interest in the home and who was residing in the home for a period of at least one year immediately before the date of the individual's admission to the facility; or
    - (v) son or daughter who was residing in the individual's home for a period of at least two years immediately before the date of the individual's admission to the facility, and who provided care to the individual that permitted the individual to reside at home rather than in an institution or facility;
  - (2) a satisfactory showing is made that the individual intended to dispose of the homestead at fair market value or for other valuable consideration; or
  - (3) the local agency grants a waiver of the excess resources created by the uncompensated transfer because denial of eligibility would cause undue hardship for the individual, based on imminent threat to the individual's health and well-being.
- (b) When a waiver is granted under paragraph (a), clause (3), a cause of action exists against the person to whom the homestead was transferred for that portion of ~~long-term care~~ *medical assistance* services granted ~~within 30 months of the transfer~~ *during the period of ineligibility under subdivision 2* or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256G.

Sec. 6. Minnesota Statutes 1992, section 256B.0595, subdivision 4, is amended to read:

Subd. 4. [OTHER EXCEPTIONS TO TRANSFER PROHIBITION.] An institutionalized person who has made, or whose spouse has made a transfer prohibited by subdivision 1, is not ineligible for ~~long-term care~~ *medical assistance* services if one of the following conditions applies:

- (1) the assets were transferred to the community spouse, as defined in section 256B.059; or
- (2) the institutionalized spouse, prior to being institutionalized, transferred assets to a spouse, provided that the spouse to whom the assets were transferred does not then transfer those assets to another person for less than fair market value. (At the time when one spouse is institutionalized, assets

must be allocated between the spouses as provided under section 256B.059); or

(3) the assets were transferred to the individual's child who is blind or permanently and totally disabled as determined in the supplemental security income program; or

(4) a satisfactory showing is made that the individual intended to dispose of the assets either at fair market value or for other valuable consideration; or

(5) the local agency determines that denial of eligibility for long-term care services would work an undue hardship and grants a waiver of excess assets. When a waiver is granted, a cause of action exists against the person to whom the assets were transferred for that portion of ~~long-term care~~ *medical assistance services granted within 30 months of the transfer, during the period of ineligibility determined under subdivision 2* or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action may be brought by the state or the local agency responsible for providing medical assistance under this chapter."

Page 6, line 27, delete everything after "institution" and insert ". A 'medical institution' is defined as a nursing facility, intermediate care facility, or inpatient hospital."

Page 6, delete line 28

Page 8, after line 14, insert:

*"(e) A medical assistance lien applies only to the specific real property described in the lien notice."*

Page 8, line 24, after the second comma, insert "other than the recipient or recipient's spouse,"

Page 13, line 9, delete "13" and insert "14"

Page 13, line 10, delete everything after the period

Page 13, delete line 11

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything after "2," and insert "3, and 4"

Page 1, line 11, delete "subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Health Care. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1209: A bill for an act relating to weights and measures; authorizing the commissioner of public service to set fees without rulemaking; setting fees to cover costs of inspections; regulating oxygenated gasoline records; appropriating money; amending Minnesota Statutes 1992, sections 239.10; and 239.791, subdivisions 6 and 8; proposing coding for new law in Minnesota Statutes, chapter 239; repealing Minnesota Statutes 1992, sections 239.05, subdivision 2c; 239.52; and 239.78.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 32 to 36

Page 3, delete lines 1 to 6 and insert:

*"Subd. 4. [SETTING WEIGHTS AND MEASURES FEES.] The department shall review its schedule of inspection fees at the end of each six months. When a review indicates that the schedule of inspection fees should be adjusted, the commissioner shall fix the fees by rule, in accordance with section 16A.128, to ensure that the fees charged are sufficient to recover all costs connected with the inspections."*

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 825: A bill for an act relating to retirement; Minneapolis employees retirement fund; permitting purchase of service credit by a certain member.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 13, delete the semicolon and insert a comma

Page 1, line 18, after "1980" insert a comma and delete "1982" and insert "1981"

Page 2, line 33, delete "(b)" and insert "(a)"

Page 3, line 4, after "sum" insert *"before December 31, 1993, unless the executive director agrees to accept payment in installments, not to exceed three years. If the executive director agrees to accept installment payments, payments must include interest at a rate determined by the executive director, and payments must begin before December 31, 1993"*

Page 3, delete lines 5 and 6

Page 3, line 9, after "the" insert "full"

Page 3, line 13, delete "1" and insert "2"

Page 3, delete section 2 and insert:

*"Sec. 2. [LOCAL APPROVAL.]*

*Section 1 is effective the day following approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 819: A bill for an act relating to telephone services; prohibiting collection of charges for information services as if they were charges for

telephone services; 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 2, line 8, after "*subscriber*" insert "*or spouse*" in both places

Page 2, line 24, delete "*ten-point*" and insert "*12-point*"

Page 2, line 25, after "*letters*" insert "*in a color or shade that readily contrasts with the background*"

Page 2, line 29, after "*CONSENT*" insert "*EXCEPT FOR CALLS MADE BY YOUR SPOUSE*"

Page 3, line 13, before "*Unless*" insert "*The telephone service subscriber shall have the right to direct partial payments of a telephone bill.*"

Page 3, line 16, delete "*local*" and delete "*service*" and insert "*services*"

Page 3, line 17, delete "*then to charges for long distance service,*"

Page 3, after line 18, insert:

*"Subd. 6. [INDEMNITY.] Anyone liable for fraud under this section has a right of indemnity against anyone who has provided it with false information as to the status of information charges.*

*Subd. 7. [INVOLUNTARY BLOCKING.] Anyone who has refused to pay for two months of information charge bills or one month of charges in excess of \$500 may be blocked from access to information services."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1087: A bill for an act relating to utilities; restricting approval of competitive rate schedules to those that apply to consumers requiring electric service with a connected load of at least 2,000 kilowatts; providing for determination by public utilities commission of competitive rate filings; amending Minnesota Statutes 1992, section 216B.162, subdivisions 2 and 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, lines 19 to 21, delete the new language

Page 2, line 26, after "*that*" insert "*after consideration of environmental and socioeconomic impacts*"

Page 2, line 27, delete the new language

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete from "restricting" through page 1, line 5, to "kilowatts;"

Page 1, line 8, delete "subdivisions 2 and" and insert "subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1477: A bill for an act relating to economic development; abolishing Minnesota Project Outreach Corporation and transferring its duties to Minnesota Technology, Inc.; amending Minnesota Statutes 1992, section 116O.091; repealing Minnesota Statutes 1992, section 116O.092.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 6, strike "Subd. 8. [ANNUAL REPORT.] The"

Page 5, strike lines 7 and 8

Page 5, line 9, strike "committees of the legislature, the governor,"

Page 5, line 10, strike "and the University of Minnesota. The report"

Page 5, strike lines 11 to 13

Page 5, after line 18, insert:

"Sec. 2. [MINNESOTA PROJECT OUTREACH CORPORATION.]

*Minnesota Project Outreach Corporation is abolished. Minnesota Technology, Inc. is the legal successor in all respects to Minnesota Project Outreach Corporation established under Minnesota Statutes, section 116O.091. All assets and liabilities of Minnesota Project Outreach Corporation are transferred to Minnesota Technology, Inc."*

Page 5, line 19, delete "2" and insert "3"

Page 5, after line 20, insert:

"Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective July 1, 1993."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1387: A bill for an act relating to housing; modifying the definition of dwelling for smoke detection devices; amending Minnesota Statutes 1992, section 299F.362, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 11, insert:

"Sec. 2. Minnesota Statutes 1992, section 299F.362, is amended by adding a subdivision to read:

*Subd. 11. [INSURANCE CLAIMS.] No insurer shall deny a claim for loss or damage by fire for failure of a person to comply with this section."*

Page 2, line 12, delete "2" and insert "3"

Page 2, line 13, delete "Section 1 is" and insert "Sections 1 and 2 are"

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "regulating claims;"

Page 1, line 5, after "1" insert ", and by adding a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 480: A bill for an act relating to workers' compensation; requiring appointment of guardians and conservators for minors and incapacitated persons; amending Minnesota Statutes 1992, sections 176.091; 176.111, subdivision 5; and 176.521, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 176; and 525.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, delete "*weekly benefits continue or*"

Page 2, line 2, delete "*are expected to continue for 13 weeks or more*" and insert "*the employee receives or is eligible for permanent total disability benefits, supplementary benefits, or permanent partial disability benefits or a dependent receives or is eligible for dependency benefits*"

Page 2, line 12, after "*fund*" insert "*in a matter involving a claim against the fund*"

Page 2, line 17, before the comma, insert "*of being notified under this subdivision*"

Page 2, line 19, after "*commissioner*" insert "*or a compensation judge*"

Page 2, line 20, delete "*case*" and insert "*matter*" and after the period, insert "*In the case of a minor who is not represented by an attorney, the commissioner shall refer the matter under subdivision 3.*"

Page 2, line 21, after "*When*" insert "*, in a proceeding before them,*"

Page 2, line 26, delete "*case*" and insert "*matter*" and after the period, insert "*The commissioner has no duty to monitor files at the department but must review a file for referral upon receiving a complaint that an injured employee or dependent is a minor or an incapacitated person without a guardian or conservator.*"

Page 4, lines 19 and 24; delete "*case*" and insert "*matter*"

Page 4, line 35, after "*fee*" insert "*of the employee or dependent*"



And when so amended the bill do pass. Ms. Reichgott questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 665: A bill for an act relating to housing; providing for a metropolitan community stabilization program; amending Minnesota Statutes 1992, sections 462A.21, by adding a subdivision; and 473.249, subdivision 1, and by adding a subdivision; 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 4, line 16, delete "1993 and" and insert "1994."

Page 4, delete line 17

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. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 788: A bill for an act relating to energy; abolishing certain duties of commissioner of public service relating to energy; amending Minnesota Statutes 1992, sections 216B.241, subdivision 2a; 216C.02, subdivision 1; and 216C.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 1992, section 16B.61, subdivision 3, is amended to read:

Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.] The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) [SMOKE DETECTION DEVICES.] The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) [DOORS IN NURSING HOMES AND HOSPITALS.] The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) [CHILD CARE FACILITIES IN CHURCHES; GROUND LEVEL EXIT.] A licensed day care center serving fewer than 30 preschool age persons

and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.

(e) [CHILD CARE FACILITIES IN CHURCHES; VERTICAL ACCESS.] Until August 1, 1996, an organization providing child care in an existing church building which is exempt from taxation under section 272.02, subdivision 1, clause (5), shall have five years from the date of initial licensure under chapter 245A to provide interior vertical access, such as an elevator, to persons with disabilities as required by the state building code. To obtain the extension, the organization providing child care must secure a \$2,500 performance bond with the commissioner of human services to ensure that interior vertical access is achieved by the agreed upon date.

(f) [FAMILY AND GROUP FAMILY DAY CARE.] The commissioner of administration shall establish a task force to determine occupancy standards specific and appropriate to family and group family day care homes and to examine hindrances to establishing day care facilities in rural Minnesota. The task force must include representatives from rural and urban building code inspectors, rural and urban fire code inspectors, rural and urban county day care licensing units, rural and urban family and group family day care providers and consumers, child care advocacy groups, and the departments of administration, human services, and public safety.

By January 1, 1989, the commissioner of administration shall report the task force findings and recommendations to the appropriate legislative committees together with proposals for legislative action on the recommendations.

Until the legislature enacts legislation specifying appropriate standards, the definition of Group R-3 occupancies in the state building code applies to family and group family day care homes licensed by the department of human services under Minnesota Rules, chapter 9502.

(g) [MINED UNDERGROUND SPACE.] Nothing in the state building codes shall prevent cities from adopting rules governing the excavation, construction, reconstruction, alteration, and repair of mined underground space pursuant to sections 469.135 to 469.141, or of associated facilities in the space once the space has been created, provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained.

(h) [ENCLOSED STAIRWAYS.] No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(i) [DOUBLE CYLINDER DEAD BOLT LOCKS.] No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(j) [RELOCATED RESIDENTIAL BUILDINGS.] A residential building relocated within or into a political subdivision of the state need not comply with the state energy code or section 326.371 provided that, where available, an energy audit is conducted on the relocated building.

(k) [AUTOMATIC GARAGE DOOR OPENING SYSTEMS.] The code must require all residential buildings as defined in section 325F.82 to comply with the provisions of sections 325F.82 and 325F.83.

(l) [EXIT SIGN ILLUMINATION.] For a new building on which construction is begun on or after October 1, 1993, or an existing building on which remodeling affecting 50 percent or more of the enclosed space is begun on or after October 1, 1993, the code must prohibit the use of internally illuminated exit signs whose electrical consumption during nonemergency operation exceeds 20 watts of resistive power with a maximum total power consumption of 40 volt amperes (VA). All other requirements in the code for exit signs must be complied with. Power consumption in volt amperes is the resistive power divided by the power factor.

Sec. 2. Minnesota Statutes 1992, section 116C.54, is amended to read:

116C.54 [ADVANCE FORECASTING FORECAST REQUIREMENT.]

*Subdivision 1.* [REPORT.] Every utility which owns or operates, or plans within the next 15 years to own or operate large electric power generating plants or high voltage transmission lines shall develop forecasts as specified in this section. On or before July 1 of each even-numbered year, every such utility shall submit a report of its forecast to the board. The report may be appropriate portions of a single regional forecast or may be jointly prepared and submitted by two or more utilities and shall contain the following information:

(1) Description of the tentative regional location and general size and type of all large electric power generating plants and high voltage transmission lines to be owned or operated by the utility during the ensuing 15 years or any longer period the board deems necessary;

(2) Identification of all existing generating plants and transmission lines projected to be removed from service during any 15 year period or upon completion of construction of any large electric power generating plants and high voltage transmission lines;

(3) Statement of the projected demand for electric energy for the ensuing 15 years and the underlying assumptions for this forecast, such information to be as geographically specific as possible where this demand will occur;

(4) Description of the capacity of the electric power system to meet projected demands during the ensuing 15 years;

(5) Description of the utility's relationship to other utilities and regional associations, power pools or networks; and

(6) Other relevant information as may be requested by the board.

On or before July 1 of each odd-numbered year, a utility shall verify or submit revisions to items (1) and (2).

*Subd. 2.* [EXCEPTION.] Public electric utilities submitting advance forecasts containing all information specified in subdivision 1 as part of an integrated resource plan filed pursuant to public utilities commission rules shall be excluded from the annual reporting requirement of this section.

Sec. 3. Minnesota Statutes 1992, section 216B.16, is amended by adding a subdivision to read:

*Subd. 14. [LOW-INCOME CONSIDERATIONS IN SETTING RATES.]*

*The commission may establish rate discounts for low-income residential customers. In setting discounted rates, the commission shall consider: the effect of the rate increase on working poor customers, customers receiving public assistance and other fixed income customers; the impact of the rate increase as a percentage of total income to the low-income residential customer; the potential for the discounted rate to provide savings to the utility for collection and bad debt expenses; and how the increase in the utility rate affects income available for low-income customers to meet other necessities.*

Sec. 4. Minnesota Statutes 1992, section 216C.17, subdivision 3, is amended to read:

Subd. 3. [DUPLICATION.] The commissioner shall, to the maximum extent feasible, provide that forecasts required under this section be consistent with material required by other state and federal agencies in order to prevent unnecessary duplication. *Public electric utilities submitting advance forecasts containing all information specified in section 116C.54, subdivision 1, as part of an integrated resource plan filed pursuant to public utilities commission rules shall be excluded from the annual reporting requirement in subdivision 2.*

Sec. 5. Minnesota Statutes 1992, section 216C.19, subdivision 17, is amended to read:

Subd. 17. [MOTORS.] No motor covered by this subdivision, excluding those sold as part of an appliance, may be sold or installed in Minnesota unless its nominal efficiency meets or exceeds the values adopted under subdivision 8.

Sec. 6. Minnesota Statutes 1992, section 216C.19, subdivision 19, is amended to read:

Subd. 19. [SHOWERHEADS; FAUCETS.] (a) No showerhead, other than a safety shower showerhead, may be sold or installed in Minnesota if it permits a maximum water use in excess of 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

(b) No kitchen faucet or kitchen replacement aerator may be sold or installed in Minnesota if it permits a maximum water use in excess of 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

(c) No lavatory faucet or lavatory replacement aerator may be sold or installed in Minnesota if it permits a maximum water use in excess of ~~two~~ 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch.

Sec. 7. [216C.211] [PHOTOVOLTAIC ENERGY SYSTEM.]

*State agencies shall use photovoltaic energy systems to supply electric power loads which are less than 5 kilowatts and more than 100 meters from an available utility connection, unless the life-cycle purchase, installation, operating, and fuel/energy costs of an alternative power supply system can be shown to cost less than those costs for the photovoltaic system.*

Sec. 8. Minnesota Statutes 1992, section 216C.37, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] In this section:

(a) "Commissioner" means the commissioner of public service. ~~Upon passage of legislation creating a body known as the Minnesota public facilities authority, the duties assigned to the commissioner in this section are delegated to the authority.~~

(b) "Maxi-audit" means a detailed engineering analysis of energy-saving improvements to existing buildings or stationary energy-using systems, including (1) modifications to building structures; (2) heating, ventilating, and air conditioning systems; (3) operation practices; (4) lighting; and (5) other factors that relate to energy use. The primary purpose of the engineering analysis is to quantify the economic and engineering feasibility of energy-saving improvements that require capital expenditures or major operational modifications.

(c) "Energy conservation investments" ~~mean means~~ all capital expenditures that are associated with conservation measures identified in a maxi-audit or energy project study, and that have a ten-year or less payback period. ~~Public school districts that received a federal institutional building grant in 1984 to convert a heating system to wood, and that apply for an energy conservation investment loan to match a federal grant for wood conversion, shall be allowed to calculate payback of conservation measures based on the costs of the traditional fuel in use prior to the wood conversion pay for themselves with energy savings.~~

(d) "Municipality" means any county, statutory or home rule charter city, town, school district, or any combination of those units operating under an agreement to jointly undertake projects authorized in this section.

(e) "Energy project study" means a study of one or more energy-related capital improvement projects analyzed in sufficient detail to support a financing application. At a minimum, it must include one year of energy consumption and cost data, a description of existing conditions, a description of proposed conditions, a detailed description of the costs of the project, and calculations sufficient to document the proposed energy savings.

Sec. 9. [216C.371] [ENERGY CONSERVATION SELF-LIQUIDATING FINANCING.]

Subdivision 1. [POLICIES.] In order to provide alternative financing methods and sources to assist municipalities in financing energy conservation investments and to accomplish the energy conservation measures of chapter 216C, the commissioner may establish an energy conservation self-liquidating financing program to complement the energy conservation investment loans authorized by section 216C.37.

Subd. 2. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of public service.

(c) "Energy conservation investments" means all capital expenditures that are associated with conservation measures identified in a maxi-audit and that are calculated to have a ten-year or less payback period. A public school district that received a federal institutional building grant in 1984 to convert a heating system to wood or wood waste, and that applies for energy conservation self-liquidating financing to match a federal grant for wood

conversion, may calculate the payback of the expenditure for conversion measures based on the costs of the traditional fuel in use prior to the wood conversion.

(d) "Financing arrangements" means loans, leases, or alternative financing agreements.

(e) "Maxi-audit" means a detailed engineering analysis of energy-saving improvements to existing buildings or stationary energy-using systems including:

- (1) modifications to building structures and envelopes;
- (2) heating, ventilating, and air conditioning systems;
- (3) lighting;
- (4) operating practices; and
- (5) other factors that relate to energy use.

The primary purpose of the engineering analysis is to quantify the economic and engineering feasibility of energy-saving improvements that require capital expenditures or major operational modifications.

(f) "Municipality" means any county, statutory or home rule charter city, town, school district, or any combination of those units operating under an agreement to jointly undertake projects authorized in this section.

Subd. 3. [ALTERNATIVE FINANCING METHODS.] (a) In addition to the financing method provided in section 216C.37, the commissioner may enter into financing arrangements with municipalities in order to provide alternative financing methods to pay the costs of energy conservation investments. The financing arrangement may contain provisions for, among others, its interest, term, prepayment, and the obligations of the municipality to make payments on or pursuant to the financing arrangement beyond the current budget year, as may be agreed upon between the commissioner and the municipality.

(b) To fund the commissioner's obligation under this section to assist municipalities in financing energy conservation investments, the commissioner may enter into lease, loan, or other financing agreements:

- (1) to borrow funds to accomplish energy conservation investments; or
- (2) to enable and permit municipalities to borrow from a private financial institution on an independent or joint basis sufficient funds to accomplish energy conservation investments.

Subd. 4. [MUNICIPALITY FINANCING ARRANGEMENTS.] (a) A municipality may enter into a financing arrangement with the institution under subdivision 3 and issue obligations evidencing indebtedness necessary to carry out the provisions of this section. Chapter 475 shall not be applicable to this section.

(b) Financing arrangements shall not be made for energy conservation investments that require more than ten years for the municipality to recoup the actual or projected cost of construction and acquisition of the improvements including the cost of the engineering plans and specifications and the cost of arranging the financing.

(c) A municipality must find and determine that the project is economically feasible and that adequate provisions have been made to assure proper and efficient operation of the facility once the project is completed.

(d) A financing arrangement made pursuant to this section must be repayable over a period of not more than ten years from the date funds are advanced under the financing arrangement. Interest shall accrue from the date funds are advanced under the financing arrangement, but the first payment of interest or principal shall not be due until one year after the date on which funds are advanced under the financing arrangement. The principal shall be amortized annually in amounts and on terms as determined by the municipality and interest shall be payable on dates, at least annually, as determined by the municipality.

(e) The governing body of the municipality shall adopt a resolution obligating the municipality to repay the financing arrangement according to the terms in the financing arrangement. The obligation may be payable from money available to it from any specified source. A municipality may pledge its full faith and credit for the payment of its obligations under the financing arrangement.

Subd. 5. [DISCRETIONARY IMPROVEMENTS.] A municipality may elect not to implement an energy conservation investment identified in a maxi-audit if the entity which prepared the maxi-audit demonstrates that the facility or structure which is the subject of the energy conservation investment is unlikely to be used or operated for the full period of the expected payback of the energy conservation measure.

Subd. 6. [APPLICATION.] Application to use the financing method permitted by this section shall be made by a municipality to the commissioner on a form the commissioner prescribes by rule. The commissioner shall review each application to determine:

- (1) whether the municipality's proposal is complete;
- (2) whether the project is an energy conservation investment;
- (3) the amount of financing to be undertaken; and
- (4) the means by which the municipality proposes to finance the project under the options permitted by section 216C.37 and this section.

Subd. 7. [APPROVAL.] The commissioner shall approve the application required by subdivision 6, if clauses (1) and (2) of that subdivision have been satisfied.

Subd. 8. [RULES.] The commissioner shall adopt rules necessary to implement this section. The rules must include:

- (1) procedures for applications by municipalities;
- (2) criteria for reviewing financing applications; and
- (3) procedures and guidelines for program monitoring, closeout, and evaluation.

Sec. 10. Minnesota Statutes 1992, section 299F.011, subdivision 4c, is amended to read:

Subd. 4c. [EXIT SIGN ILLUMINATION.] *For a new building on which construction is begun on or after October 1, 1993, or an existing building on which remodeling affecting 50 percent or more of the enclosed space is begun on or after October 1, 1993, the uniform fire code must prohibit the use of internally illuminated exit signs whose electrical consumption during non-emergency operation exceeds 20 watts of resistive power with a maximum total power consumption of 40 volt amperes (VA). All other requirements in the code for exit signs must be complied with. Power consumption in volt amperes is the resistive power divided by the power factor.*

Sec. 11. Minnesota Statutes 1992, section 446A.10, subdivision 2, is amended to read:

Subd. 2. [OTHER RESPONSIBILITIES.] (a) The responsibilities for the health care equipment loan program under Minnesota Statutes 1986, section 116M.07, subdivisions 7a, 7b, and 7c; ~~the public school energy conservation loan program under section 216C.37;~~ and the district heating and qualified energy improvement loan program under section 216C.36, are transferred from the Minnesota energy and economic development authority to the Minnesota public facilities authority. The commissioner of public service shall continue to administer the municipal energy grant and loan programs under section 216C.36 ~~and the school energy loan program under section 216C.37~~ until the commissioner of trade and economic development has adopted rules to implement the financial administration of the programs as provided under ~~sections~~ section 216C.36, subdivisions 2, 3b, 3c, 8, 8a, and 11; ~~and 216C.37, subdivisions 4 and 8.~~

(b) Except as otherwise provided in this paragraph, section 15.039 applies to the transfer of responsibilities. The transfer includes 8-1/2 positions from the financial management division of the department of trade and economic development to the community development division of the department of trade and economic development. The commissioner of trade and economic development and the commissioner of public service shall determine which classified and unclassified positions associated with the responsibilities of the grant and loan programs under section 216C.36 and the school energy loan program under section 216C.37 are transferred to the commissioner of public service and which positions are transferred to the commissioner of trade and economic development in order to carry out the purposes of Laws 1987, chapter 386, article 3.

#### Sec. 12. [VENTILATION STANDARDS REPORT.]

*The department of administration, building code division, shall in consultation with the department of public service develop recommended ventilation standards for single family homes to include mechanical ventilation or other types of ventilation standards and report the proposed standards to the legislature by January 15, 1994.*

#### Sec. 13. [REPEALER.]

*Minnesota Statutes 1992, section 216C.36, is repealed.*

*Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380, are repealed."*

Delete the title and insert:



"A bill for an act relating to energy; clarifying maximum energy consumption requirements for certain exit lamps; eliminating advance forecast reporting requirements for public electric utilities submitting advance forecasts in an integrated resource plan; updating the municipal energy conservation loan program; eliminating the district heating loan program; amending Minnesota Statutes 1992, sections 16B.61, subdivision 3; 116C.54; 216B.16, by adding a subdivision; 216C.17, subdivision 3; 216C.19, subdivisions 17 and 19; 216C.37, subdivision 1; 299F.011, subdivision 4c; and 446A.10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 216C; repealing Minnesota Statutes 1992, section 216C.36; Minnesota Rules, parts 7665.0200; 7665.0210; 7665.0220; 7665.0230; 7665.0240; 7665.0250; 7665.0300; 7665.0310; 7665.0320; 7665.0330; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 913: A bill for an act relating to employment; modifying provisions relating to and renaming the Minnesota council for the blind and the consumer advisory council; establishing a rehabilitation advisory council for the blind; amending Minnesota Statutes 1992, sections 248.10; and 268A.02, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 7, before "*Rehabilitation*" insert "*federal*"

Page 2, line 8, delete "*as amended*" and insert "*Public Law Number 93-112, as amended through December 31, 1992*" and delete everything after the period and insert "*Advisory council members*"

Page 2, line 9, delete "*blind*"

Page 2, line 11, delete "*rehabilitation*"

Page 2, line 12, delete "*for the blind*"

Page 2, line 13, delete "*rehabilitation*" and delete "*for the blind will also*" and insert "*shall*"

Page 2, line 14, delete "*regarding other divisional programs*" and insert "*about programs of the division of services for the blind and visually handicapped*"

Page 2, line 15, delete "*rehabilitation*" and delete "*for the blind shall be*" and insert "*is*"

Page 2, line 16, delete "*persons*" and insert "*members*"

Page 3, line 6, after "*the*" insert "*federal*" and delete "*as amended. The*" and insert "*Public Law Number 93-112, as amended through December 31, 1992. Members of the*"

Page 3, line 7, delete "*rehabilitation*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 550: A bill for an act relating to agriculture; regulating activities relating to restricted species; creating a restricted species task force; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 84.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 26, delete from "*Subd. 3.*" through page 4, line 6, to "*state.*" and insert:

*"Subd. 3. [DUTIES.] The task force shall conduct a study of restricted species in the state and make recommendations concerning the following issues:*

*(1) the economic viability of raising restricted species in the state in a safe manner;*

*(2) health threats, including the spread of diseases posed by restricted species;*

*(3) the ecological threat to the state posed by restricted species;*

*(4) the administrative impact on the departments of agriculture and natural resources if restricted species are permitted in the state;*

*(5) development of a plan to ban restricted species from the state and recommendations for the amount of compensation that is appropriate to pay producers if a ban is enacted into law;*

*(6) a determination of the number of restricted species in the state and their location; and*

*(7) any other factors relative to the costs, benefits, and feasibility of permitting restricted species in the state."*

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 305: A bill for an act relating to crime; authorizing school officials to use reasonable force to prevent the official, a student, or other school officials from suffering substantial or great bodily harm or death; providing criminal and civil immunity for the use of such reasonable force; providing felony penalties for unlawfully possessing a firearm or dangerous weapon on school property or in certain school buses; amending Minnesota Statutes 1992, sections 609.06; 609.066, subdivision 3; and 609.66, 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 1992, section 609.06, is amended to read:  
609.06 [AUTHORIZED USE OF FORCE.]

*Subdivision 1.* [WHEN AUTHORIZED.] Reasonable force may be used upon or toward the person of another without the other's consent when the following circumstances exist or the actor reasonably believes them to exist:

(1) When used by a public officer or one assisting a public officer under the public officer's direction:

(a) In effecting a lawful arrest; or

(b) In the execution of legal process; or

(c) In enforcing an order of the court; or

(d) In executing any other duty imposed upon the public officer by law; or

(2) When used by a person not a public officer in arresting another in the cases and in the manner provided by law and delivering the other to an officer competent to receive the other into custody; or

(3) When used by any person in resisting or aiding another to resist an offense against the person; or

(4) When used by any person in lawful possession of real or personal property, or by another assisting the person in lawful possession, in resisting a trespass upon or other unlawful interference with such property; or

(5) When used by any person to prevent the escape, or to retake following the escape, of a person lawfully held on a charge or conviction of a crime; or

(6) When used by a parent, guardian, teacher or other lawful custodian of a child or pupil, in the exercise of lawful authority, to restrain or correct such child or pupil; or

(7) When used by a school employee while the employee is engaged in the performance of the employee's official duties, to prevent bodily harm to another; or

(8) When used by a common carrier in expelling a passenger who refuses to obey a lawful requirement for the conduct of passengers and reasonable care is exercised with regard to the passenger's personal safety; or

(9) When used to restrain a mentally ill or mentally defective person from self-injury or injury to another or when used by one with authority to do so to compel compliance with reasonable requirements for the person's control, conduct or treatment; or

(10) When used by a public or private institution providing custody or treatment against one lawfully committed to it to compel compliance with reasonable requirements for the control, conduct or treatment of the committed person.

Sec. 2. Minnesota Statutes 1992, section 609.66, is amended by adding a subdivision to read:

*Subd. 1d.* [FELONY; POSSESSION ON SCHOOL PROPERTY.] (a) Whoever possesses, stores, or keeps a firearm as defined in section 97A.015, subdivision 19, on school property 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.

(b) As used in this subdivision, "school property" means:

(1) an elementary, middle, or secondary school building and its grounds; and

(2) the area within a school bus when that bus is being used to transport one or more elementary, middle, or secondary school students.

(c) This subdivision does not apply to:

(1) licensed peace officers, military personnel, or students participating in military training;

(2) persons who possess or carry pistols according to the terms of a permit;

(3) persons who possess, keep, or store in a motor vehicle pistols in accordance with sections 624.714 and 624.715 or other firearms in accordance with section 97B.045;

(4) firearm safety training courses conducted on school property;

(5) firearm possession by a ceremonial color guard;

(6) a gun show held on school property when school is not in session; or

(7) firearms possessed with written permission of the principal.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1993, and apply to crimes committed and actions commenced on or after that date."

Delete the title and insert:

"A bill for an act relating to crime; authorizing school employees to use reasonable force to prevent bodily harm; providing criminal immunity for the use of such reasonable force; providing felony penalties for unlawfully possessing a firearm on school property or in certain school buses; amending Minnesota Statutes 1992, sections 609.06; and 609.66, by adding a subdivision."

And when so amended the bill be re-referred to the Committee on Crime Prevention without recommendation. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 403: A bill for an act relating to housing and hotels; amending reasons for innkeeper ejection and refusal to admit persons; establishing parent or guardian responsibility for guests who are minors; establishing liability for damage to hotel or personal property or injury to persons; requiring notice; amending Minnesota Statutes 1992, sections 327.70, subdivision 3, and by adding a subdivision; and 327.73, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 327.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, lines 7 and 34, before "intoxicated" insert "obviously"

Page 2, lines 16 and 20, delete "which" and insert "that"

Page 3, line 6, delete "or may"

Page 3, line 7, delete "bring in" and delete "which" and insert "into the hotel that"

Page 3, lines 11 and 12, delete "shall have the right to" and insert "may"

Page 3, line 14, delete "in writing"

Page 3, line 26, delete "shall have the right to" and insert "may"

Page 3, line 27, delete "shall" and insert "may"

Page 3, delete lines 28 to 31

Page 4, line 4, delete "such" and insert "the"

Page 4, line 6, after "(b)" insert ", if the parent or guardian provides a credit card or an advance cash deposit under section 327.73, subdivision 2, paragraph (b)"

Page 4, after line 10, insert:

"Sec. 6. Minnesota Statutes 1992, section 327.74, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] A person in a hotel who, by smoking or attempting to light or smoke cigarettes, cigars, pipes, or other smoking material, in any manner in which lighters or matches are used, negligently sets fire to a part of the building, or any furniture or furnishings within the building, so as to endanger life or property in any way or to any extent, is guilty of a gross misdemeanor."

Amend the title as follows:

Page 1, line 7, after the first semicolon, insert "increasing the penalty for setting fire to hotel belongings;"

Page 1, line 9, delete "and" and after the second semicolon, insert "and 327.74, subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Crime Prevention. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

H.F. No. 430: A bill for an act relating to human services; requiring the department of health and human services to develop plans to reduce duplication and paperwork in reviews conducted.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1127: A bill for an act relating to metropolitan government; revitalizing and strengthening the metropolitan council's role in metropolitan area transportation and sewer systems planning; abolishing the regional transit

board; creating a new metropolitan transit authority as an agency of the council; providing for the powers, duties, and administration of the metropolitan transit authority; authorizing the council to issue debt for the authority's activities and for transit; providing procedures for design, approval, and construction of light rail transit; abolishing the metropolitan transit commission; creating metro transit as an operating agency of the council; providing for the administration of metro transit; transferring functions of the metropolitan transit commission to metro transit; authorizing the metropolitan council to levy taxes to support metro transit's and the metropolitan transit authority's activities and for debt service; authorizing the commissioner of transportation to construct transit facilities in the metropolitan area with approval of the council; changing the administration of the metropolitan waste control commission; changing obsolete references; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivisions 1 and 7; 174.04; 174.22, by adding a subdivision; 174.23, subdivision 4; 174.24, subdivision 2; 174.32, subdivisions 2 and 3; 252.478, subdivision 2; 352.01, subdivision 2b; 352.75, subdivision 2; 352D.02, subdivision 1; 473.121, subdivision 11, and by adding subdivisions; 473.141, subdivision 2; 473.143; 473.146, subdivisions 1, 2, and 4; 473.1623, subdivision 2; 473.1631; 473.164, subdivision 3; 473.167, subdivision 1; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.181, subdivision 3; 473.223; 473.303, subdivision 4; 473.371, subdivision 1; 473.373, subdivisions 1, 1a, and by adding subdivisions; 473.375, subdivisions 1, 5, 8, 11, 13, and 17; 473.382; 473.384, subdivisions 3 and 7; 473.385, subdivision 2; 473.386, subdivisions 2 and 3; 473.388; 473.39; 473.391; 473.392; 473.399, subdivision 1; 473.3993; 473.3994; 473.3996; 473.3997; 473.3998; 473.405, subdivision 5; 473.4051; 473.408, subdivision 2a; 473.409; 473.415; 473.435; 473.436, subdivision 6; 473.446, subdivisions 1, 1a, 3, 7, and 8; 473.503; 473.504, subdivisions 8 and 9; 473.511, subdivision 4; 473.516, subdivisions 2 and 3; 473.517, subdivisions 6, 8, and 9; 473.521, subdivision 4; 473.523; 473.542; 473.543, subdivisions 1, 2, and 4; 473.547; 473.553, subdivision 4; 473.561; 473.595, subdivision 3; 473.811, subdivision 1a; 473.852, subdivision 8; and 629.40, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 14a and 15; 473.141, subdivisions 3, 4, 4a, and 5; 473.153; 473.161; 473.163; 473.373, subdivisions 4a, 5, 6, and 8; 473.375, subdivisions 7, 15, and 16; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.399, subdivisions 2 and 3; 473.3991; 473.3994, subdivision 6; 473.404; 473.405, subdivision 2; 473.415, subdivision 1; 473.416; 473.417; 473.418; 473.436, subdivision 7; 473.445; 473.511, subdivision 5; and 473.535; Laws 1991, chapter 291, article 4, section 20.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

#### “ARTICLE I

#### METROPOLITAN AREA TRANSIT REORGANIZATION

Section 1. Minnesota Statutes 1992, section 473.371, subdivision 1, is amended to read:

Subdivision 1. [POLICY.] The legislature finds that, for the provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for the creation of ~~regional metropolitan~~ transit programs and agencies with the powers and duties prescribed by law.

Sec. 2. Minnesota Statutes 1992, section 473.373, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] To carry out the policy and achieve the goals of section 473.371 ~~there is established a regional metropolitan transit board~~ *authority is established* as a public corporation and a political subdivision of the state. ~~Except as provided in this section, the board is~~ *It is* organized, structured, and administered as provided in ~~this~~ section 473.144.

Sec. 3. Minnesota Statutes 1992, section 473.373, subdivision 1a, is amended to read:

Subd. 1a. [DUTIES OF THE BOARD TRANSIT AUTHORITY.] (a) The duties of the ~~board metropolitan transit authority~~ are:

(1) to foster effective delivery of existing transit services and encourage innovation in transit service;

(2) to increase transit service in suburban areas;

(3) to prepare implementation and financial plans for the metropolitan transit system *consistent with the transit policies and plans of the metropolitan council*;

(4) ~~to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area~~;

(5) to advise and work cooperatively with local governments, regional rail authorities, and other public agencies, transit providers, developers, and other persons in order to coordinate all transit modes and to increase the availability of transit services;

(6) (5) to conduct transit research and evaluation; and

(7) (6) to administer state and metropolitan transit subsidies.

(b) The ~~board transit authority~~ shall arrange with others for the delivery and provision of transit services and facilities. To the greatest extent possible, the ~~board transit authority~~ shall avoid direct operational planning, administration, and management of specific transit services and facilities.

(c) The ~~board transit authority~~ shall advise the council, the council's transportation advisory board, the department of transportation, political subdivisions, and private developers on the transit aspects and effects of proposed transportation plans and development projects and on methods of improving the coordination, availability, and use of transit services as part of an efficient and effective overall transportation system.

Sec. 4. Minnesota Statutes 1992, section 473.373, is amended by adding a subdivision to read:

*Subd. 9. [CHIEF ADMINISTRATOR.] The metropolitan council shall appoint the chief administrator of the transit authority. The chief administrator shall be chosen on the basis of training, experience, and other qualifications and shall serve at the pleasure of the council at the salary rate set by the council. The chief administrator shall have the following powers and duties:*

*(a) adopt measures the administrator considers necessary to enforce or carry out the powers and duties of the transit authority, or to efficiently administer the affairs of the transit authority;*

*(b) adopt a personnel code, appoint and remove, on the basis of merit and fitness, all regular employees of the transit authority;*

*(c) prepare and submit for council approval the capital and operating budgets of the transit authority, and other financial information, operations plans, and service plans as the council may require; and*

*(d) annually submit a report to the council detailing the transit authority's activities and finances for the previous year.*

Sec. 5. Minnesota Statutes 1992, section 473.373, is amended by adding a subdivision to read:

*Subd. 10. [EMPLOYEES.] All persons regularly employed by the regional transit board immediately prior to the effective date of this act become employees of the metropolitan transit authority on the effective date of this act, retain all rights to which they are entitled by contract or law, and continue in the same retirement or pension system to which they belonged before the effective date of this act. The employees shall perform duties as may be prescribed by the transit authority. Section 473.141, subdivision 12, continues to apply to the transit authority. A person who was an employee of the metropolitan transit commission on July 1, 1984, who subsequently became an employee of the regional transit board, and who becomes an employee of the metropolitan transit authority has the option of continued coverage under chapter 353.*

Sec. 6. Minnesota Statutes 1992, section 473.373, is amended by adding a subdivision to read:

*Subd. 11. [PROPERTY; CONTRACTS.] On the effective date of this act, the metropolitan transit authority succeeds to and becomes vested with all right, title, and interest in and to any property owned and any contracts held by the regional transit board.*

Sec. 7. Minnesota Statutes 1992, section 473.375, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] ~~The transit board has the power and duties imposed by law. The exercise of any powers by the board transit authority must be consistent with the exercise by the metropolitan council of any of its powers.~~

Sec. 8. Minnesota Statutes 1992, section 473.375, subdivision 5, is amended to read:

Subd. 5. [INSURANCE.] ~~The board transit authority may procure insurance in the amounts it considers necessary against the liability of the board transit authority or its officers and employees for personal injury or death and property damage or destruction, with the force and effect stated in chapter~~



466, and against risks of damage to or destruction of any of its facilities, equipment, or other property.

Sec. 9. Minnesota Statutes 1992, section 473.375, subdivision 8, is amended to read:

Subd. 8. [GIFTS; GRANTS.] The ~~board~~ *transit authority* may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. The ~~board~~ *transit authority* may not be a recipient of federal operating or capital assistance distributed by formula or block grant.

~~No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.~~

Sec. 10. Minnesota Statutes 1992, section 473.375, subdivision 11, is amended to read:

Subd. 11. [RIDESHARING.] ~~Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law. The transit authority shall provide for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner of transportation. The commissioner, the council, and the commission metro transit shall cooperate with the board in the transfer of these duties and transit authority in the conduct of ridesharing activities in areas where the commissioner's programs and the board's transit authority's program overlap. The board shall establish a rideshare advisory committee to advise it in carrying out the program. The board transit authority may contract for services in operating the program.~~

Sec. 11. Minnesota Statutes 1992, section 473.375, subdivision 13, is amended to read:

Subd. 13. [FINANCIAL ASSISTANCE.] The ~~board~~ *transit authority* may provide financial assistance to the ~~commission metro transit~~ and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board. The ~~board~~ *transit authority* may not use the proceeds of bonds issued by the council under section 473.39 to provide capital assistance to private, for-profit operators of public transit.

Sec. 12. Minnesota Statutes 1992, section 473.375, subdivision 17, is amended to read:

Subd. 17. [AUDIT.] The board must be audited at least once each year. The board may elect to be audited by a certified public accountant or by the state auditor. If the board chooses the state auditor, the state auditor shall audit, either directly or by subcontract, the ~~board's~~ *transit authority's* financial accounts and affairs at least once each year. The information in the audit must be contained in the annual report and distributed in accordance with section

473.445, subdivision 3. The board transit authority shall pay the total cost of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received for the state audits must be deposited in the general fund.

**Sec. 13. [473.381] [AUTHORITY BUDGET.]**

*Subdivision 1. [REQUIREMENT.] The metropolitan transit authority shall prepare a proposed budget by August 1 of each year. The budget shall include the proposed budget for metro transit and, in the detail and form prescribed by the council, must show for each year:*

*(1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;*

*(2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year; and*

*(3) the estimated source and use of pass-through funds.*

*Subd. 2. [PROCEDURE; APPROVAL OF COUNCIL.] As early as practicable before August 15 of each year, the transit authority shall hold a public hearing on a draft of the proposed budget. Along with the draft, the transit authority shall publish a report on user charges. The report must include an estimate and analysis of the changes in user charges, rates, and fees that will be required by the transit authority's budget. Not less than 14 days before the hearing, the transit authority shall publish notice of the hearing in a newspaper having general circulation in the metropolitan area, stating the date, time, and place of hearing, and the place where the proposed budget and report on user charges may be examined by any interested person. Following the hearing, the transit authority shall publish a report of the hearing that summarizes the comments received and the transit authority's response. The proposed budget must be submitted to the council by August 15 of each year for review and approval by the council. The council shall act to approve or disapprove by October 1 of each year. The council may approve or disapprove in whole or in part and may attach conditions to its approval. Before December 15 of each year the transit authority shall by resolution adopt a final budget. The transit authority shall file its final budget with the council on or before December 20 of each year. The council shall file the budget with the secretary of the senate and the clerk of the house of representatives not later than January 1 of each year.*

*Subd. 3. [EFFECT.] Except in an emergency, for which procedures must be established by the council, the transit authority and its officers, agents, and employees may not spend money for any purpose, without an appropriation by the transit authority, and no obligation to make an expenditure is enforceable except as the obligation of the person or persons incurring it. The transit authority may amend the budget with council approval at any time by transferring any appropriation from one purpose to another, except appropriations of the proceeds of bonds issued by the council for a specific purpose.*

*Subd. 4. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each even-numbered year the transit authority shall prepare a*

*financial plan for the succeeding three calendar years, in half-year segments. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the transit authority during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium. The transit authority shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part.*

Sec. 14: Minnesota Statutes 1992, section 473.382, is amended to read:

473.382 [LOCAL PLANNING AND DEVELOPMENT PROGRAM.]

~~In preparing and amending its implementation plan pursuant to section 473.377,~~ The transit board authority shall establish a program to ensure participation by representatives of local government units and the coordination of the planning and development of transit by local government units. The board transit authority shall encourage the establishment of local transit planning and development boards by local governments for the purpose of:

(a) assisting and advising the transit board authority in preparing the implementation plan, including the identification of service needs and objectives;

(b) preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 473.384;

(c) preparing or advising the transit board authority in the review of applications for assistance under section 473.384.

The board transit authority may provide local boards with whatever assistance it deems necessary and appropriate.

Sec. 15: Minnesota Statutes 1992, section 473.384, subdivision 3, is amended to read:

Subd. 3. [APPLICATIONS.] The board transit authority shall establish procedures and standards for review and approval of applications for financial assistance under this section consistent with its approved implementation plan. An applicant must provide the board transit authority with the financial and other information the board transit authority requires to carry out its duties. The board transit authority may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.

Sec. 16: Minnesota Statutes 1992, section 473.384, subdivision 7, is amended to read:

Subd. 7. [MTC METRO TRANSIT IMPACT ASSESSMENT.] Prior to entering into a contract for operating assistance with a recipient, other than the metro transit commission, the board transit authority shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the commission metro transit. A copy of the assessment must be provided to the commission metro transit chief administrator. The board transit authority may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the commission metro transit. The requirements of this subdivision do not apply to contracts for assistance to recipients who, as part of a negotiated

cost-sharing arrangement with the ~~board~~ *transit authority*, pay a substantial part of the cost of services that directly benefit the recipient as an institution or organization.

Sec. 17. Minnesota Statutes 1992, section 473.385, subdivision 2, is amended to read:

Subd. 2. [SERVICE AREAS.] The ~~regional~~ *metropolitan transit board authority* may provide financial assistance (whether directly or through another entity) to private, for-profit operators of public transit only for the following services:

- (1) services that are not regular route services;
- (2) regular route services provided on June 2, 1989, by a private, for-profit operator under contract with the ~~board~~ *predecessor agency of the transit authority* or under a certificate of convenience and necessity issued by the transportation regulation board;
- (3) regular route services outside of the fully developed service area that are not operated on June 2, 1989, by the ~~commission~~ *predecessor agency of metro transit*;
- (4) regular route services provided under section 473.388;
- (5) regular route services to recipients who, as part of a negotiated cost-sharing arrangement with the ~~board~~ *transit authority*, pay at least 50 percent of the cost of the service that directly benefits the recipient as an institution or organization; or
- (6) regular route services that the ~~board~~ *transit authority* and the ~~commission~~ *metro transit* agree are not or will not be operated for a reasonable subsidy by the ~~commission~~ *metro transit*.

Sec. 18. Minnesota Statutes 1992, section 473.386, subdivision 2, is amended to read:

Subd. 2. [SERVICE CONTRACTS; MANAGEMENT; TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE.]

(a) The ~~board~~ *transit authority* shall contract for services necessary for the provision of special transportation. All transportation service must be provided under a contract between the ~~board~~ *transit authority* and the provider which specifies the service to be provided, the standards that must be met, and the rates for operating and providing special transportation services.

(b) The ~~board~~ *transit authority* shall establish management policies for the service but shall contract with a service administrator for day-to-day administration and management of the service. The contract must delegate to the service administrator clear authority to administer and manage the delivery of the service pursuant to ~~board~~ *transit authority* management policies and must establish performance and compliance standards for the service administrator.

(c) The ~~board~~ *transit authority* shall ensure that the service administrator establishes a system for registering and expeditiously responding to complaints by users, informing users of how to register complaints, and requiring providers to report on incidents that impair the safety and well-being of users or the quality of the service. The ~~board~~ *transit authority* shall annually report to the commissioner of transportation and the legislature on complaints and

provider reports, the response of the service administrator, and steps taken by the board *transit authority* and the service administrator to identify causes and provide remedies to recurring problems.

(d) Within 90 days following August 1, 1987, the board shall hold a public hearing on standards for provider eligibility, selection, performance, compliance, and evaluation; the terms of provider contracts and the contract with the service administrator and related contract management policies and procedures of the board; fare policies; service areas, hours, standards, and procedures; and similar matters relating to implementation of the service. Each year before renewing contracts with providers and the service administrator, the board *transit authority* shall provide an opportunity for the transportation accessibility advisory committee, users, and other interested persons to testify before the board concerning providers, contract terms, and other matters relating to board *the transit authority's* policies and procedures for implementing the service.

(e) The board *transit authority* shall establish a transportation accessibility advisory committee. The transportation accessibility advisory committee must include elderly and handicapped persons, other users of special transportation service, representatives of persons contracting to provide special transportation services, and representatives of appropriate agencies for elderly and handicapped persons to advise the board *transit authority* on management policies for the service. At least half the transportation accessibility advisory committee members must be disabled or elderly persons or the representatives of disabled or elderly persons. Two of the appointments to the transportation accessibility advisory committee shall be made by the council on disability in consultation with the chair of the regional transit board.

Sec. 19. Minnesota Statutes 1992, section 473.386, subdivision 3, is amended to read:

Subd. 3. [DUTIES OF BOARD.] In implementing the special transportation service, the board *transit authority* shall:

(a) encourage participation in the service by public, private, and private nonprofit providers of special transportation currently receiving capital or operating assistance from a public agency;

(b) contract with public, private, and private nonprofit providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) encourage individuals using special transportation to use the type of service most appropriate to their particular needs;

(d) ensure that all persons providing special transportation service receive equitable treatment in the allocation of the ridership;

(e) encourage shared rides to the greatest extent practicable;

(f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with this service and to allow reimbursement for transportation provided through the service at rates that reflect the public cost of providing that transportation;

(g) establish criteria to be used in determining individual eligibility for special transportation services;

(h) consult with the transportation accessibility advisory committee in a timely manner before changes are made in the provision of special transportation services, including, but not limited to, changes in policies affecting the matters subject to hearing under subdivision 2;

(i) provide for effective administration and enforcement of board transit authority policies and standards; and

(j) annually evaluate providers of special transportation service to ensure compliance with the standards established for the program.

Sec. 20. Minnesota Statutes 1992, section 473.388, is amended to read:

473.388 [REPLACEMENT SERVICE PROGRAM.]

Subdivision 1. [PROGRAM ESTABLISHED.] A replacement service program is established to continue the metropolitan transit service demonstration program established in Minnesota Statutes 1982, section 174.265, as provided in this section.

Subd. 2. [REPLACEMENT SERVICE; ELIGIBILITY.] The transit board authority may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

(a) is located in the metropolitan transit taxing district;

(b) is not served by the metro transit commission or is served only with metro transit commission bus routes which begin or end within the applying city or town or combination thereof; and

(c) has fewer than four scheduled runs of metropolitan metro transit commission bus service during off-peak hours defined in section 473.408, subdivision 1.

Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

The board transit authority may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town;

(i) was receiving assistance under Minnesota Statutes 1982, section 174.265 by July 1, 1984,

(ii) had submitted an application for assistance under that section by July 1, 1984, or

(iii) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and submits an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it has notified the board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town this section by January 1, 1993.

Subd. 3. [APPLICATION FOR ASSISTANCE.] An application for assistance under this section must:

(a) describe the existing service provided to the applicant by the metro transit commission, including the estimated number of passengers carried and the routes, schedules, and fares;

(b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and

(c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.

Subd. 4. [FINANCIAL ASSISTANCE.] The ~~board~~ transit authority may grant the requested financial assistance if it determines that the proposed service is consistent with the ~~approved implementation plan~~ transit authority's plans and is intended to replace the service to the applying city or town or combination thereof by the ~~metro~~ transit commission and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.

The amount of assistance which the ~~board~~ transit authority may provide under this section may not exceed the sum of:

(a) the portion of the available local transit funds which the applicant proposes to use to subsidize the proposed service; and

(b) an amount of financial assistance bearing an identical proportional relationship to the amount under clause (a) as the total amount of financial assistance to the ~~metro~~ transit commission bears to the total amount of taxes collected by the ~~board~~ council under section 473.446. The ~~board~~ transit authority shall pay the amount to be provided to the recipient from the assistance the ~~board~~ transit authority would otherwise pay to the ~~metro~~ transit commission.

For purposes of this section "available local transit funds" means 90 percent of the tax revenues which would accrue to the ~~board~~ council from the tax it levies under section 473.446 in the applicant city or town or combination thereof.

For purposes of this section, "tax revenues" in the city or town means the sum of the following:

(1) the nondebt spread levy, which is the total of the taxes extended by application of the local tax rate for nondebt purposes on the taxable net tax capacity;

(2) the portion of the fiscal disparity distribution levy under section 473F.08, subdivision 3, attributable to nondebt purposes; and

(3) the portion of the homestead credit and agricultural credit aid and disparity reduction aid amounts under section 273.1398, subdivisions 2 and 3, attributable to nondebt purposes.

Tax revenues do not include the state feathering reimbursement under section 473.446.

Subd. 5. [OTHER ASSISTANCE.] A city or town receiving assistance under this section may also receive assistance from the board under section 473.384. In applying for assistance under that section an applicant must describe the portion of the available local transit funds which are not obligated to subsidize replacement service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available

local transit funds may use any other local subsidy funds to complete the required local share.

Subd. 6. ~~[ASSUMPTION OF PROGRAM.]~~ The board shall certify to the commissioner of transportation when it has adopted an approved interim implementation plan and is ready to assume responsibility for the metropolitan transit service demonstration program administered by the commissioner under Minnesota Statutes 1982, section 174.265. On receipt of the certification the commissioner shall make no further contracts under that program and shall assign all contracts then in effect under that program to the board, and the contracts at that time become obligations of the board.

Sec. 21. Minnesota Statutes 1992, section 473.39, is amended to read:

473.39 [BORROWING MONEY.]

Subdivision 1. [GENERAL AUTHORITY.] The council, if requested by vote of at least two-thirds of all of the members of the transit board ~~the chief administrator of the transit authority~~, may issue general obligation bonds subject to the volume limitations in this section to provide funds to the board ~~transit authority~~ for expenditure to implement the board's approved ~~implementation plan~~ ~~transit authority's plans and programs~~ and may issue general obligation bonds not subject to the limitations for the refunding of outstanding bonds or certificates of indebtedness of the council, the board or the ~~commission predecessor agency of the transit authority, or the predecessor agency of metro transit~~, and for judgments against the board ~~transit authority~~ or the ~~commission metro transit~~. The council may not unreasonably withhold the issuance of obligations for an implementation plan that has been approved by the council. The council may not issue obligations pursuant to this subdivision, other than refunding bonds, in excess of the amount specifically authorized by law. Except as otherwise provided in sections 473.371 to 473.449, the council shall provide for the issuance, sale, and security of the bonds in the manner provided in chapter 475, and has the same powers and duties as a municipality issuing bonds under that law, except that no election is required and the net debt limitations in chapter 475 do not apply to the bonds. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state, nor any municipality or political subdivision except the council and board, nor any member or officer or employee of the board ~~transit authority~~ or council, is liable on the obligations. The obligations may be secured by taxes levied without limitation of rate or amount upon all taxable property in the transit taxing district and transit area as provided in section 473.446, subdivision 1, clause (c). The council shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of the obligations. As part of its levy made under section 473.446, subdivision 1, clause (c), the board ~~council~~ shall levy the amounts certified by the council and transfer the proceeds to the council for payment of the obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness.

Subd. 1a. [OBLIGATIONS.] (a) After August 1, 1989, The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$26,000,000 for financial assistance to the ~~commission~~, as prescribed in the implementation and capital plans of the board and the capital program of the ~~commission metro transit~~.



(b) After August 1, 1989, The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$4,700,000 for other *transit-related* capital expenditures as ~~prescribed in the implementation and capital plans of the board.~~

(c) ~~The board shall require, as a condition of financial assistance to the commission, that the commission make facilities it constructs, acquires, or improves for I-394 with funds provided under this section available to all transit providers on a nondiscriminatory basis, as the board defines these terms.~~

(d) The limitation contained in this subdivision does not apply to refunding bonds issued by the council.

Subd. 1b. [ADDITIONAL OBLIGATIONS; 1993-1996.] The council may also issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$62,000,000, of which \$44,000,000 may be used by ~~the commission~~ *metro transit* for fleet replacement, facilities, and capital equipment, and \$18,000,000 may be used by the ~~board~~ *transit authority* for transit hubs, park-and-ride lots, community-based transit vehicles and replacement service program vehicles, and intelligent vehicle highway systems projects, and related costs including the cost of issuance and sale of the obligations. The council may issue \$32,000,000 of the total amount authorized under this subdivision during fiscal biennium ending 1993, \$30,000,000 during fiscal biennium ending 1995.

Subd. 2. [LEGAL INVESTMENTS.] Certificates of indebtedness, bonds, or other obligations issued by the council to which tax levies have been pledged pursuant to section 473.446, are proper for investment of any funds by a bank, savings bank, savings and loan association, credit union, trust company, insurance company, or public or municipal corporation; and may be pledged by any bank, savings bank, savings and loan association, credit union, or trust company as security for the deposit of public money.

Sec. 22. Minnesota Statutes 1992, section 473.391, is amended to read:

473.391 [ROUTE PLANNING AND SCHEDULING.]

The ~~regional transit board~~ *metropolitan transit authority* shall contract with the ~~metropolitan metro transit commission~~ or other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described in section 161.123, clause (2), commonly known as I-394. Route planning and scheduling is subject to ~~the transit authority's approval by the board~~ for conformity to ~~with the board's transit implementation authority's plans and route, schedule, and other service standards, objectives, and policies established by the board.~~

Sec. 23. Minnesota Statutes 1992, section 473.392, is amended to read:

473.392 [SERVICE BIDDING.]

The ~~regional transit board~~ *metropolitan transit authority* may competitively bid transit service only in accordance with standards, procedures, and guidelines adopted by ~~resolution of the board~~ *chief administrator*. The ~~board~~ *transit authority* shall establish a project management team to assist and

advise the ~~board~~ transit authority in developing and implementing standards, procedures, and guidelines. The project management team must include representatives of the ~~metropolitan metro transit commission~~, the Amalgamated Transit Union Local 1005, private operators, local governments, and other persons interested in the subject. At least 60 days before adopting any standards, procedures, or guidelines for competitive bidding of transit service, the ~~board~~ transit authority shall hold a public hearing on the subject. The ~~board~~ transit authority shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing all interested persons must be afforded an opportunity to present their views orally and in writing. Following the hearing, and after considering the testimony, the ~~board~~ chief administrator shall revise and adopt the standards, procedures, and guidelines.

Sec. 24. [473.4041] [METRO TRANSIT.]

*Subdivision 1. [ESTABLISHMENT.] Metro transit is established as a public corporation and political subdivision of the state.*

*Subd. 2. [CHIEF ADMINISTRATOR.] (a) The metropolitan council shall appoint the chief administrator of metro transit after consultation with the chief administrator of the transit authority. The chief administrator must be chosen on the basis of training, experience, and other qualifications and shall serve at the pleasure of the council at the salary rate set by the council.*

*(b) The chief administrator has the powers and duties:*

*(1) to adopt measures the administrator considers necessary to enforce or carry out the powers and duties of metro transit, or necessary for the efficient administration of the affairs of metro transit;*

*(2) subject to the personnel code adopted by the council for metro transit, to appoint and remove on the basis of merit and fitness all regular employees of metro transit;*

*(3) to prepare and submit to the transit authority for council approval the capital and operating budgets of metro transit, and other financial information, operations plans, implementation plans, and service plans as the transit authority may require; and*

*(4) to submit annually a report to the transit authority and the council detailing metro transit's activities and finances for the previous year.*

*Subd. 3. [EMPLOYEES.] On July 1, 1993, all persons regularly employed by the metropolitan transit commission on June 30, 1993, are employees of metro transit, retain all rights to which they are entitled by contract or law, and continue in the same retirement or pension system to which they belonged before July 1, 1993. These employees shall perform duties as may be prescribed by metro transit. Section 473.141, subdivision 12, continues to apply to metro transit. Metro transit shall continue to perform the employer responsibilities of its predecessor agency as specified in Minnesota Statutes 1992, sections 473.417 and 473.418, as applicable.*

*Subd. 4. [PROPERTY; CONTRACTS.] On July 1, 1993, metro transit succeeds to and is vested with all right, title, and interest in and to any property, real or personal, owned or operated by and any contracts held on June 30, 1993, by its predecessor agency, the metropolitan transit commission.*

Sec. 25. Minnesota Statutes 1992, section 473.405, subdivision 5, is amended to read:

Subd. 5. [ACQUISITION OF TRANSIT SYSTEMS.] ~~The commission~~ *Metro transit* may acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the metropolitan area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. ~~The commission~~ *Metro transit* may not acquire any existing public transit system until the acquisition has been approved by the transit board authority and the metropolitan council. ~~The commission~~ *Metro transit* may take control of and operate a system immediately following the filing and approval of the initial petition for condemnation, if ~~the commission~~ *metro transit*, in its discretion, determines this to be necessary, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Control must be taken by ~~resolution~~ *order of the chief administrator* which is effective upon service of a copy on the condemnee and the filing of the ~~resolution~~ *order* in the condemnation action. In the determination of the fair value of the existing public transit system, there must not be included any value attributable to expenditures for improvements made by ~~the metro transit commission~~.

~~The commission~~ *Metro transit* may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that ~~the commission~~ *metro transit* has acquired. If ~~the commission~~ *metro transit* determines to terminate the advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

Sec. 26. Minnesota Statutes 1992, section 473.408, subdivision 2a, is amended to read:

Subd. 2a. [REGULAR ROUTE FARES.] ~~The board~~ *transit authority* shall establish and enforce uniform fare policies for regular route transit in the metropolitan area. The policies must be stated in the board's three-year transit service ~~implementation and financing plan~~. The policies must be consistent with the requirements of this section and the council's transportation policy plan. ~~The commission~~ *Metro transit* and other operators shall charge a base fare and any surcharges for peak hours and distance of service in accordance with the policies prescribed in the ~~approved implementation plan of the transit board~~ *by the transit authority*. ~~The commission~~ *Metro transit* and other operators shall submit their fare schedules to the ~~board~~ *transit authority* for approval.

Sec. 27. Minnesota Statutes 1992, section 473.409, is amended to read:

473.409 [AGREEMENTS WITH COMMISSION TRANSIT AUTHORITY; ENCOURAGEMENT OF TRANSIT USE.]

A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other metropolitan agency may enter into an agreement with ~~the metro transit commission~~ and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among

other things: (a) the advance purchase of tokens, tickets or other devices from the ~~commission~~ *metro transit* or other operator for use in lieu of fares on vehicles operated by the ~~commission~~ *metro transit* or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, or council, or ~~other commission~~, unless otherwise provided in an agreement approved by the transit ~~board~~ *authority*.

Sec. 28. Minnesota Statutes 1992, section 473.415, is amended to read:

473.415 [LABOR PROVISIONS.]

Subdivision 1. If the ~~commission~~ *metro transit* acquires an existing transit system, the ~~commission~~ *metro transit* shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the operation thereof by the ~~commission~~ *metro transit* shall be transferred to and appointed as employees of the ~~commission~~ *metro transit* for the purposes of the transit system, subject to all the rights and benefits of sections 473.404 to 473.449. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The ~~commission~~ *metro transit* shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The ~~commission~~ *metro transit* and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the ~~commission~~ *metro transit* and the participating employees through their representatives. No employee of any acquired system who is transferred to a position with the ~~commission~~ *metro transit* shall by reason of such transfer be placed in any worse position with respect to workers' compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than the employee enjoyed as an employee of such acquired system.

Subd. 2. For any employees of the ~~commission~~ *metro transit* who were previously transferred to and appointed as employees of the former *metropolitan transit* commission upon completion of acquisitions of transit systems which occurred prior to the effective date of Laws 1978, chapter 538 July 1, 1978, the provisions of Laws 1978, chapter 538 shall replace the provisions of subdivision 1 relating to the pension obligations which the ~~commission~~ *metro transit* is required to assume, and the pension or retirement plan and pension trust funds which the ~~commission~~ *metro transit* is required to establish, maintain, and administer. Upon compliance with the applicable provisions of Laws 1978, chapter 538, ~~the by the former metropolitan transit commission, metro transit shall not be deemed to have placed any employee of the commission metro transit who was previously transferred to and appointed as an employee of the metropolitan transit commission upon completion of acquisitions of transit systems which occurred prior to the~~

effective date of Laws 1978, chapter 538 July 1, 1978, in any worse position with respect to pension and related benefits than the employee of the ~~commission~~ metro transit enjoyed as an employee of the acquired existing transit system.

Subd. 3. For any employees of the ~~commission~~ metro transit who are transferred to and appointed as employees of the ~~commission~~ metro transit upon completion of acquisitions of transit systems which occur subsequent to the effective date of Laws 1978, chapter 538 July 1, 1978, those employees shall be governed by the provisions of Laws 1978, chapter 538 unless the acquisition of the transit system which employed them immediately preceding the acquisition included the acquisition of a pension trust fund under the joint control of the acquired system and the participating employees through their representatives.

Sec. 29. Minnesota Statutes 1992, section 473.435, is amended to read:  
473.435 [FINANCE.]

Subdivision 1. [BUDGET.] In furtherance of and in conformance with the ~~implementation plan~~ plans of the transit board authority, the metro transit ~~commission~~ each year shall prepare an annual budget, at the time, in the form, and containing the information prescribed by the board authority, and, after holding a public hearing on the budget, shall submit the budget to the board for review and approval or disapproval transit authority for incorporation in the transit authority's proposed budget and for transmittal to the metropolitan council. The board council may approve or disapprove the budget in whole or in part. The board and may attach conditions to its approval. The board shall approve elements that the board determines are in conformance with the board's implementation plan and budget and shall disapprove elements that the board determines are not in conformance with the board's implementation plan and budget. The board transit authority shall return the budget to the ~~commission~~ metro transit, with comments indicating the reasons for any council disapproval. If necessary, the ~~commission~~ metro transit shall make any appropriate amendments and resubmit the budget to the board council for approval or disapproval.

Subd. 2. [AUDIT.] The ~~commission~~ Metro transit must be audited at least once each year. The ~~commission~~ Metro transit may elect to be audited by a certified public accountant or by the state auditor. If the ~~commission~~ metro transit chooses the state auditor, the state auditor shall make an audit, either directly or by subcontract, of the ~~commission's~~ metro transit's financial accounts and affairs at least once each year. Copies of the auditor's report shall be filed and kept open to public inspection in the offices of the secretary of the ~~commission~~ metro transit, the board transit authority, and the secretary of state. The information in the audit shall be contained in the metro transit's annual report and distributed in accordance with section 473.445. The ~~commission~~ Metro transit shall pay the total cost of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The state auditor may bill monthly or at the completion of the audit. All collections received for the state audits must be deposited in the general fund.

Sec. 30. Minnesota Statutes 1992, section 473.436, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY BORROWING.] On or after the first day of any fiscal year, ~~the commission metro transit~~ may borrow money which may be used or expended by ~~the commission metro transit~~ for any purpose, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of ~~the commission metro transit~~. The indebtedness must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a ~~resolution an order of the chief administrator~~ authorizing the issuance. The ~~resolution order~~ must set forth the form and manner of execution of the notes and shall contain other terms and conditions the ~~commission chief administrator~~ deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to ~~the commission metro transit~~, or other revenues of ~~the commission metro transit~~, and the money may be pledged to the payment of the notes. ~~The commission Metro transit~~ is authorized to pledge to the payment of the note or notes taxes levied by the ~~regional transit board metropolitan council~~ under section 473.446, subdivision 1, clause (a), and if taxes are so pledged the ~~board council~~ shall transfer amounts received from the levy to ~~the commission metro transit~~ for payment of the note or notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes must be paid from any taxes received by the ~~transit board council under section 473.446~~ and any income and revenue received by or accrued to ~~the commission metro transit~~ during the fiscal year in which the note or notes were issued, or other money of ~~the commission metro transit~~ lawfully available therefor.

Sec. 31. Minnesota Statutes 1992, section 473.446, subdivision 1, is amended to read:

Subdivision 1. [TAXATION WITHIN TRANSIT TAXING DISTRICT.] For the purposes of sections ~~473.404 473.4041~~ to 473.449 and the metropolitan transit system, except as otherwise provided in this subdivision, the ~~regional transit board council~~ 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 metro transit~~ under section 473.436, subdivision 6;

(b) an additional amount, if any, the ~~board council~~ 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 ~~former regional transit board~~ has specifically pledged tax levies under this clause.

The property tax levied by the ~~regional transit board~~ for general purposes ~~council~~ 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 1994, the product of (i) the former regional transit board's property tax levy limitation for general purposes for the previous year determined under this subdivision Minnesota Statutes 1992, section 473.446, subdivision 1, clause (3), 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; and

(2) for taxes payable in 1995 and subsequent years, the product of (i) the council's property tax levy limitation 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 council'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 0.510 percent of net tax capacity 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 0.765 percent of net tax capacity 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 council the amounts certified by the county auditors on the dates provided in section 273.1398. 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. 32. Minnesota Statutes 1992, section 473.446, subdivision 1a, is amended to read:

Subd. 1a. [TAXATION WITHIN TRANSIT AREA.] For the purposes of sections ~~473.404~~ 473.4041 to 473.449, and the metropolitan transit system, the ~~regional transit board~~ *council* shall levy upon all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district, defined in subdivision 2, a transit tax, which shall be equal to ten percent of the sum of the levies provided in subdivision 1, clauses (a) to (c). The proceeds of this tax shall be used only for paratransit services or ride sharing programs designed to serve persons located within the transit area but outside of the transit taxing district.

Sec. 33. Minnesota Statutes 1992, section 473.446, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATION AND COLLECTION.] Each county treasurer shall collect and make settlement of the taxes levied under subdivisions 1 and 1a with the treasurer of the ~~board~~ *council*. *For taxes levied in 1992, payable in 1993, by the former regional transit board under Minnesota Statutes 1992, section 473.446, each county treasurer shall collect and make settlement of the taxes levied with the treasurer of the council.* The levy of transit taxes pursuant to this section shall not affect the amount or rate of taxes which may be levied by any county or municipality or by the ~~board~~ *council* for other purposes authorized by law and shall be in addition to any other property tax authorized by law.

Sec. 34. Minnesota Statutes 1992, section 473.446, subdivision 7, is amended to read:

Subd. 7. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] Beginning for taxes levied in ~~1984~~ 1993, payable in ~~1985~~ 1994, and for each succeeding year, ~~the metro transit commission~~ shall certify to the ~~transit board~~ *council* before October 1 of each year the amounts necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of ~~the commission~~ *metro transit*, until all debt of ~~the commission~~ *metro transit* is fully discharged. As part of its levy made pursuant to ~~subdivisions~~ *subdivision 1 and 6*, the ~~board~~ *council* shall levy the amounts certified by ~~the commission~~ *metro transit* and transfer the proceeds to ~~the commission~~ *metro transit* for payment of its obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness. Nothing in Laws 1984, chapter 654 may impair the rights of holders of valid obligations of the *metropolitan transit* commission to require a levy of property taxes. The ~~transit board~~ *council* shall take the actions necessary to comply with the terms and conditions of the obligations, including if necessary the levy of property taxes to provide for a deficiency.



Sec. 35. Minnesota Statutes 1992, section 473.446, subdivision 8, is amended to read:

Subd. 8. [STATE REVIEW.] The ~~board~~ *council* must certify its *proposed* property tax levy *under this section* to the commissioner of revenue by ~~August 4~~ *September 15* of the levy year. The commissioner of revenue shall annually determine whether the property tax for ~~general purposes~~ certified by the ~~regional transit board~~ *council* for levy following the adoption of its *metro transit's and the authority's proposed* budget is within the levy limitation imposed by subdivision 1. The commissioner shall also annually determine whether the transit tax imposed on all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district is within the levy limitation imposed by subdivision 1a. The determination must be completed prior to ~~September~~ *November* 1 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculations.

## ARTICLE 2

### MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 1992, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force, including an advisory task force created under section 15.014 or 15.0593, or other similar multimember agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, ~~regional transit board~~, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission, capitol area architectural and planning board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "vacancy" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state.

Sec. 2. Minnesota Statutes 1992, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range  
Effective  
July 1, 1987

\$57,500-\$78,500

Commissioner of finance;  
Commissioner of education;  
Commissioner of transportation;  
Commissioner of human services;  
Commissioner of revenue;  
Commissioner of public safety;  
Executive director, state board of investment;  
Director of the state lottery;

\$50,000-\$67,500

Commissioner of administration;  
Commissioner of agriculture;  
Commissioner of commerce;  
Commissioner of corrections;  
Commissioner of jobs and training;  
Commissioner of employee relations;  
Commissioner of health;  
Commissioner of labor and industry;  
Commissioner of natural resources;  
Commissioner of trade and economic development;  
Chief administrative law judge; office of administrative hearings;  
Commissioner, pollution control agency;  
Director, office of waste management;  
Commissioner, housing finance agency;  
Executive director, public employees retirement  
association;  
Executive director, teacher's retirement association;  
Executive director, state retirement system;  
Chair, metropolitan council;  
Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights;  
Commissioner, department of public service;  
Commissioner of veterans affairs;  
Commissioner, bureau of mediation services;  
Commissioner, public utilities commission;  
Member, transportation regulation board;  
Ombudsman for corrections;  
Ombudsman for mental health and retardation.

Sec. 3. Minnesota Statutes 1992, section 174.04, is amended to read:

174.04 [FINANCIAL ASSISTANCE; APPLICATIONS; DISBURSEMENT.]

Subdivision 1. [REVIEW OF APPLICATION.] Any state agency which receives an application from a regional development commission, metropolitan council, public transit ~~commission~~ *agency or authority*, airport commission, port authority or other political subdivision of the state for financial assistance for transportation planning, capital expenditures or operations to any state or federal agency, shall first submit the application to the commissioner of transportation. The commissioner shall review the application to determine whether it contains matters that substantially affect the statewide transportation plan and priorities. If the application does not contain such matters, the commissioner shall within 15 days after receipt return the application to the applicant political subdivision for forwarding to the appropriate agency. If the application contains such matters, the commissioner shall review and comment on the application as being consistent with the plan and priorities. The commissioner shall return the application together with comments within 45 days after receipt to the applicant political subdivision for forwarding with the commissioner's comments to the appropriate agency.

Subd. 2. [DESIGNATED AGENT.] A regional development commission, metropolitan council, public transit ~~commission~~ *agency or authority*, airport commission, port authority, or any other political subdivision of the state may designate the commissioner as its agent to receive and disburse funds by entering into an agreement with the commissioner prescribing the terms and conditions of the receipt and expenditure of the funds in accordance with federal and state laws and regulations.

Subd. 3. [EXCEPTIONS.] The provisions of this section shall not be construed as altering or amending in any way the funding procedures specified in sections 161.36, 360.016 or 360.0161.

Sec. 4. Minnesota Statutes 1992, section 174.22, is amended by adding a subdivision to read:

*Subd. 3a. [METRO TRANSIT.] "Metro transit" means the agency established by section 473.4041.*

Sec. 5. Minnesota Statutes 1992, section 174.23, subdivision 4, is amended to read:

Subd. 4. [RESEARCH; EVALUATION.] The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit ~~commissions~~ and *providers* and authorities, regional development commissions, and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.

Sec. 6. Minnesota Statutes 1992, section 174.24, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit ~~commission~~ *agency* or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. Eligible recipients must be located outside of the metropolitan area.

Sec. 7. Minnesota Statutes 1992, section 174.32, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE RECIPIENTS.] A legislatively established public transit ~~commission~~ *agency or authority*; a public authority organized and existing under chapter 398A; a county or statutory or home rule charter city operating, intending to operate, or providing financial assistance to a transit service; a rail authority; or a private operator of public transit is eligible for assistance under the program. The National Railroad Passenger Corporation, known as Amtrak, and any trolley system outside the metropolitan area are not eligible for assistance under the program.

Sec. 8. Minnesota Statutes 1992, section 252.478, subdivision 2, is amended to read:

Subd. 2. [RATES.] Costs of transportation to and from a day training and

habilitation service agency must be a part of the payment rate established for each day training and habilitation services agency.

The commissioner may approve payment rates for day training and habilitation services that exceed the limits in section 252.46, subdivision 6, for vendors whose transportation costs increase as a result of action taken by the former regional transit board or the metropolitan transit authority under Laws 1988, chapter 684, article 2, section 3, or Laws 1989, chapter 269, section 35, or section 473.386, subdivision 4.

Sec. 9. Minnesota Statutes 1992, 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) 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;

- (14) state troopers;
- (15) 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;
- (16) 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;
- (17) persons described in section 352B.01, subdivision 2, clauses (2) to (5);
- (18) 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;
- (19) trainee employees, except those listed in subdivision 2a, clause (10);
- (20) persons whose compensation is paid on a fee basis;
- (21) 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;
- (22) 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;
- (23) chaplains and nuns who are excluded from coverage under the federal old age, survivors, disability, and health insurance program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1954, as amended;
- (24) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;
- (25) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;
- (26) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;
- (27) 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;
- (28) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;

(29) 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 the metropolitan agencies;

(30) persons employed in positions designated by the department of employee relations as student workers;

(31) 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;

(32) 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;

(33) 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;

(34) off-duty peace officers while employed by the metropolitan metro transit commission under section 629.40, subdivision 5; and

(35) 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. 10. Minnesota Statutes 1992, section 352.75, subdivision 2, is amended to read:

Subd. 2. [NEW EMPLOYEES.] All persons first employed by the former metropolitan transit commission as employees of the transit operating division on or after July 1, 1978, or by metro transit after June 30, 1993, are members of the Minnesota state retirement system and are considered state employees for purposes of this chapter unless specifically excluded under section 352.01, subdivision 2b.

Sec. 11. Minnesota Statutes 1992, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERAGE.] (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 plan under chapter 352, are participants in the unclassified program under this chapter unless 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 general state employees retirement plan. For the purposes of this chapter, an

employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified plan.

(b) Enumerated employees are:

(1) 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 a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4;

(3) a permanent, full-time unclassified employee of the legislature or 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) a person other than an employee of the state board of technical colleges who is employed in a position established under section 43A.08, subdivision 1, clause (3), 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 chief administrator~~, and not to exceed three positions at the division director or assistant to the ~~chair chief administrator~~ level of the ~~regional transit board metropolitan transit authority~~; a chief administrator who is an employee of the ~~metropolitan metro 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 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 before January 1, 1992, or subsequently redesignated with the approval of the board of directors of the Minnesota state retirement system, unless the person has elected coverage by the individual retirement account plan under chapter 354B;

(7) the clerk of the appellate courts appointed 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) an employee whose principal employment is at the state ceremonial house;

(10) an employee of the Minnesota educational computing corporation;



- (11) an employee of the world trade center board;
- (12) an employee of the state lottery board who is covered by the managerial plan established under section 43A.18, subdivision 3; and
- (13) an employee of the state board of technical colleges employed in a position established under section 43A.08, subdivision 1, clause (3), or 1a, unless the person has elected coverage by the individual retirement account plan under chapter 354B.

Sec. 12. Minnesota Statutes 1992, section 473.121, subdivision 11, is amended to read:

Subd. 11. [INDEPENDENT COMMISSION, BOARD OR AGENCY.] "Independent commission, board or agency" means governmental entities with jurisdictions lying in whole or in part within the metropolitan area but not including agencies that are subject to the requirements of section 473.161 the metropolitan transit authority, metro transit, and the metropolitan waste control commission.

Sec. 13. Minnesota Statutes 1992, section 473.121, is amended by adding a subdivision to read:

Subd. 15a. [TRANSIT AUTHORITY OR AUTHORITY.] "Transit authority" or "authority" means the metropolitan transit authority created in section 473.373.

Sec. 14. Minnesota Statutes 1992, section 473.121, is amended by adding a subdivision to read:

Subd. 15b. [METRO TRANSIT.] "Metro transit" means the metropolitan agency created in section 473.4041.

Sec. 15. Minnesota Statutes 1992, section 473.146, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT REQUIREMENTS.] The council shall adopt a long-range comprehensive policy plan for each metropolitan agency required to prepare an implementation plan under section 473.161 and the metropolitan transit authority. The plans must substantially conform to all policy statements, purposes, goals, standards, and maps in the development guide developed and adopted by the council under this chapter. Each policy plan must include, to the extent appropriate to the functions, services, and systems covered, the following:

- (1) forecasts of changes in the general levels and distribution of population, households, employment, land uses, and other relevant matters; for the metropolitan area and appropriate subareas, to be used in preparing the implementation plan of the affected metropolitan agency;
- (2) a statement of issues, problems, needs, and opportunities with respect to the functions, services, and systems covered;
- (3) a statement of the council's goals, objectives, and priorities with respect to the functions, services, and systems covered; addressing areas and populations to be served, the levels, distribution, and staging of services; a general description of the facility systems required to support the services, and other similar matters;

(4) a statement of policies to effectuate the council's goals, objectives, and priorities;

(5) a statement of the fiscal implications of the council's plan, including a statement of: (i) the resources available under existing fiscal policy; (ii) the adequacy of resources under existing fiscal policy and any shortfalls and unattended needs; (iii) additional resources, if any, that are or may be required to effectuate the council's goals, objectives, and priorities; and (iv) any changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that the council has recommended or may recommend;

(6) a statement of the standards, criteria, and procedures that the council will use in monitoring and evaluating the implementation of the plan;

(7) a statement of the matters that must be addressed in the implementation plan of the affected metropolitan agency;

(8) a statement of the relationship of the policy plan to other policy plans and chapters of the metropolitan development guide;

(9) a statement of the relationships to local comprehensive plans prepared under sections 473.851 to 473.872; and

(10) additional general information as may be necessary to develop the policy plan or as may be required by the laws relating to the metropolitan agency and function covered by the policy plan.

Sec. 16. Minnesota Statutes 1992, section 473.146, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTATION PLANNING.] The metropolitan council is the designated planning agency for any long-range comprehensive transportation planning required by section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal transportation laws. The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, and shall establish an advisory body consisting of representatives of the regional metropolitan transit board authority, citizens, municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council and the transit board authority.

Sec. 17. Minnesota Statutes 1992, section 473.1623, subdivision 2, is amended to read:

Subd. 2. [FINANCIAL REPORTING AND MANAGEMENT ADVISORY COMMITTEE.] A financial reporting and management advisory committee is created, consisting of the chairs or chief administrators of the council and the following metropolitan agencies: the waste control commission, transit board, transit commission, metropolitan transit authority, metro transit, metropolitan airports commission, and sports facilities commission. The committee is established to assist and advise the council and other governing boards in meeting the requirements of this section. Staff and administrative services for the committee must be provided by the council and the member agencies. Other agencies shall make financial information available upon request.

Sec. 18. Minnesota Statutes 1992, section 473.164, subdivision 3, is amended to read:

Subd. 3. At the conclusion of each budget year, the council, in cooperation with each commission or board *authority*, shall adopt a final statement of costs incurred by the council for each commission or board *authority*. Where costs incurred in the budget year have exceeded the amount budgeted, each commission or board *authority* shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the council and applied to the payment of budgeted costs in the next year. ~~Costs incurred during 1976 shall be reimbursed to the council on or before December 31, 1976, following receipt and in accordance with a statement of costs transmitted by the council. Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the regional transit board for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the board.~~

Sec. 19. Minnesota Statutes 1992, section 473.168, subdivision 2, is amended to read:

Subd. 2. The metropolitan council in consultation with the regional transit board may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 include provisions for exclusive lanes for buses and, as the council may determine, other forms of multipassenger transit. The council, in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.

Sec. 20. Minnesota Statutes 1992, section 473.181, subdivision 3, is amended to read:

Subd. 3. ~~[METROPOLITAN METRO TRANSIT COMMISSION.]~~ The council shall review acquisition of public transit systems and the issuance of revenue bonds by the metropolitan metro transit commission pursuant to section 473.405, subdivision 5.

Sec. 21. Minnesota Statutes 1992, section 473.223, is amended to read:

473.223 [FEDERAL AID.]

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the metropolitan council may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. If necessary to meet federal requirements, the council, the regional metro transit board, and the metropolitan transit ~~commission~~ authority may be considered a single eligible unit to carry out their respective responsibilities. The metropolitan council may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act

as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the metropolitan council as its agent for such purposes and to enter into an agreement with the council prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. The metropolitan council is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.

Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid. However, no political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the council.

Sec. 22. Minnesota Statutes 1992, section 629.40, subdivision 5, is amended to read:

Subd. 5. [OFFICERS APPOINTED BY METROPOLITAN METRO TRANSIT COMMISSION.] An off-duty peace officer as defined in section 626.84, subdivision 1, paragraph (c), may be employed by the metropolitan metro transit ~~commission~~ to police its property and routes and may make an arrest under section 629.34 while on duty for the metropolitan metro transit ~~commission~~ anywhere within the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. The powers of arrest may only be exercised in connection with investigations authorized by the ~~commission~~ metro transit that relate to ~~commission~~ metro transit property, equipment, employees, and passengers.

### ARTICLE 3

#### GOVERNANCE ADVISORY COUNSEL

##### Section 1. [STATE ADVISORY COUNCIL.]

*Subdivision 1. [ESTABLISHMENT; PURPOSE.] A state advisory council on metropolitan governance is established to provide a forum at the state level for education, discussion, identification of emerging regional needs and appropriate responses, and advice to the legislature on the present and future role of the metropolitan council, metropolitan agencies, and the local governmental units as defined in Minnesota Statutes, section 473.121. The creation of the advisory council shall not affect any otherwise existing reporting relationships of the council, metropolitan agencies, or the local governmental units to the legislature.*

*Subd. 2. [AUTHORITY; DUTIES.] (a) The advisory council shall review and comment to the legislature on the duties and responsibilities of the council, metropolitan agencies, and the local governmental units.*

*(b) The advisory council may gather information, conduct research and analysis, and advise the legislature on matters related to the council's charge.*

*(c) The advisory council may conduct public hearings to inform the public and solicit opinion.*

(d) *The advisory council shall consult with local governmental units in making its recommendations.*

*Subd. 3. [MEMBERSHIP.] The advisory council shall consist of 15 members who serve at the pleasure of the appointing authority as follows:*

(1) *six legislators; three members of the senate appointed by the subcommittee on committees of the committee on rules; and three members of the house of representatives appointed by the speaker; and*

(2) *nine public members who are residents of the metropolitan area; two appointed by the subcommittee on committees of the committee on rules of the senate and two appointed by the speaker of the house; and five appointed by the governor.*

*Subd. 4. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as co-chair of the advisory council.*

*Subd. 5. [ADMINISTRATION.] Legislative staff, the metropolitan council, and metropolitan agencies shall provide administrative and staff assistance when requested by the advisory council.*

## Sec. 2. [EXPENSES.]

*The metropolitan council shall compensate the members of the advisory council. Public members are to be compensated in an amount provided by Minnesota Statutes, section 15.059, subdivision 3. Members of the legislature are paid per diem and travel expenses in an amount provided by Minnesota Statutes, section 3.099. The council shall adopt a budget of estimated expenses at its first meeting and provide a copy to the metropolitan council.*

## ARTICLE 4

### CONFORMING AMENDMENTS, SHORT TITLE

#### Section 1. [INSTRUCTIONS TO REVISOR.]

*Subdivision 1. [METROPOLITAN TRANSIT AUTHORITY.] In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the term "regional transit board" (or "transit board" or "board" when referring to the regional transit board) or similar terms, to "metropolitan transit authority" (or "transit authority" when referring to the metropolitan transit authority), or similar terms, as appropriate and consistent with this act, where they appear in Minnesota Statutes 1992, sections 10A.01, subdivision 18; 161.173; 161.174; 174.32, subdivision 2; 221.022; 221.025; 221.031, subdivision 3a; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.01, subdivision 2a; 473.121, subdivision 5a; 473.164, subdivision 1; 473.375, subdivisions 2, 3, 4, 6, 9, 10, 12, 14, 15, and 18; 473.384, subdivisions 1, 4, 5, 6, and 8; 473.386, subdivisions 1, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.394; and 473.405, subdivision 6.*

*Subd. 2. [METRO TRANSIT.] In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the term "metropolitan transit commission" (or "transit commission" or "the commission" when referring to the metropolitan transit commission), or similar term, to "metro transit" where it appears in Minnesota Statutes 1992, sections 10A.01, subdivision 18; 16B.58, subdivision 7; 169.781, subdivision 1; 169.791, subdivision 5;*

169.792, subdivision 11; 221.022; 352.01, subdivisions 2a and 11; 352.03, subdivision 1; 473.121, subdivision 5a; 473.384, subdivision 1; 473.385, subdivision 1; 473.405; 473.408, subdivisions 1, 4, 6, and 7; 473.411, subdivisions 3, 4, and 5; 473.42; 473.436, subdivisions 2 and 3; 473.446, subdivision 2; 473.448; and 473.449.

*Subd. 3. [METROPOLITAN AGENCIES.] In Minnesota Statutes 1993 Supplement, the revisor of statutes shall change the term "commission," "commission or board," or similar term, when the term does not refer to a specific metropolitan agency, to the term "metropolitan agency" or "agency," or similar term, where it appears in Minnesota Statutes 1992, sections 473.129, subdivision 6; 473.141, subdivisions 7, 8, 9, 10, 11, 12, 13, and 14; and 473.164, subdivision 2.*

*Subd. 4. [CROSS REFERENCES.] In each section of Minnesota Statutes referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C.*

Column A	Column B	Column C
169.781, subd 1	473.404	473.4041
473.405, subd 1	473.404	473.4041
473.405, subd 12	473.404	473.4041
473.411, subd 4	473.404	473.4041
473.411, subd 5	473.404	473.4041
473.449	473.404	473.4041

*Subd. 5. [MINNESOTA RULES.] The revisor of statutes shall make similar conforming corrections to Minnesota Rules.*

**Sec. 2. [REPEALER.]**

*Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 14a and 15; 473.373, subdivisions 4a, 5, 6, and 8; 473.375, subdivisions 7, 15, and 16; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404; 473.405, subdivision 2; 473.415, subdivision 1; 473.436, subdivision 7; and 473.445; are repealed.*

**Sec. 3. [APPLICATION.]**

*Articles 1, 2, and 3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

**Sec. 4. [EFFECTIVE DATE.]**

*This act is effective July 1, 1993. Article 3 is repealed June 30, 1994."*

Delete the title and insert:

*"A bill for an act relating to metropolitan transit governance; abolishing the regional transit board; creating a new metropolitan transit authority; providing for the powers, duties, and administration of the metropolitan transit authority; authorizing the council to issue debt for the authority's activities and for transit; abolishing the metropolitan transit commission; creating metro transit; providing for the administration of metro transit; transferring functions of the metropolitan transit commission to metro transit; authorizing the metropolitan council to levy taxes to support metro transit's and the metropolitan transit authority's activities and for debt service; creating a state advisory council on metropolitan governance; changing obsolete references; amending Minnesota*

Statutes 1992, sections 15.0597, subdivision 1; 15A.081, subdivision 1; 174.04; 174.22, by adding a subdivision; 174.23, subdivision 4; 174.24, subdivision 2; 174.32, subdivision 3; 252.478, subdivision 2; 352.01, subdivision 2b; 352.75, subdivision 2; 352D.02, subdivision 1; 473.121, subdivision 11, and by adding subdivisions; 473.146, subdivisions 1 and 4; 473.1623, subdivision 2; 473.164, subdivision 3; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.371, subdivision 1; 473.373, subdivisions 1, 1a, and by adding subdivisions; 473.375, subdivisions 1, 5, 8, 11, 13, and 17; 473.382; 473.384, subdivisions 3 and 7; 473.385, subdivision 2; 473.386, subdivisions 2 and 3; 473.388; 473.39; 473.391; 473.392; 473.405, subdivision 5; 473.408, subdivision 2a; 473.409; 473.415; 473.435; 473.436, subdivision 6; 473.446, subdivisions 1, 1a, 3, 7, and 8; and 629.40, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 174.22, subdivision 4; 473.121, subdivisions 14a and 15; 473.373, subdivisions 4a, 5, 6, and 8; 473.375, subdivisions 7, 15, and 16; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404; 473.405, subdivision 2; 473.415, subdivision 1; 473.436, subdivision 7; and 473.445."

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. 708: A bill for an act relating to agriculture; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; proposing coding for new law in Minnesota Statutes, chapter 18.

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. 1115: A bill for an act relating to natural resources; regulating various phases of the operation of aquatic farms, quarantine facilities, and private fish hatcheries within the state; providing penalties; amending Minnesota Statutes 1992, sections 17.4982, subdivision 8; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2; 17.4991, subdivision 4; 17.4992, subdivision 3; 97C.203; 97C.515, subdivision 4; and 97C.525, subdivision 3; 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. Minnesota Statutes 1992, section 17.4982, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 17.4981 to 17.4997 17.4998.

Sec. 2. Minnesota Statutes 1992, section 17.4982, is amended by adding a subdivision to read:

*Subd. 2a. [AQUACULTURE THERAPEUTICS.] "Aquaculture therapeutics" means drugs, medications, and disease control chemicals that are approved for aquaculture use by the United States Food and Drug Administration or the United States Environmental Protection Agency.*

Sec. 3. Minnesota Statutes 1992, section 17.4982, subdivision 8, is amended to read:

Subd. 8. [CONTAINMENT FACILITY.] "Containment facility" means a licensed facility for salmonids or catfish that complies with clauses (1), (3), and (4), or clauses (2), (3), and (4):

(1) disinfects its effluent to the standards in section 17.4991 before the effluent is discharged to public waters; ~~if the facility contains catfish and discharges into or upstream of waters containing catfish or if the facility contains salmonids and discharges into or upstream of waters containing salmonids;~~

(2) does not discharge to public waters or to waters of the state directly connected to public waters;

(3) raises aquatic life for food consumption only;

(4) contains aquatic life requiring a fish health inspection prior to transportation.

Sec. 4. Minnesota Statutes 1992, section 17.4983, subdivision 2, is amended to read:

Subd. 2. [ACQUISITION FROM STATE.] (a) The commissioner may sell aquatic life to licensed facilities at fair *wholesale* market value. Fair *wholesale* market value must be determined by the average market price charged in this state and contiguous states and provinces for similar quantities.

(b) The commissioner shall establish procedures to make aquatic life available to licensed facilities if state aquatic life would otherwise die or go to waste, such as in cases of winterkill lakes, waters where piscicides will be applied, and waters subject to extreme draw-down. The public must be given angling opportunities if public access is available.

(c) The commissioner shall attempt to provide opportunities to make brood stock available to licensed facilities to reduce reliance on out-of-state sources without causing adverse impacts to game fish populations.

(d) If the commissioner denies approval to obtain aquatic life outside the state, a written notice must be submitted to the applicant stating the reasons for denial, and the commissioner shall:

(1) designate approved sources if available to obtain the desired aquatic life; or

(2) sell the aquatic life from state hatcheries at fair *wholesale* market value if there is a surplus from state operations.

Sec. 5. Minnesota Statutes 1992, section 17.4984, subdivision 2, is amended to read:

Subd. 2. [LISTED WATERS.] (a) An aquatic farm license must list:

(1) the specific waters of the state that may be used in connection with the licensed aquatic farm and the species approved for each licensed water; *and*



- (2) whether aeration requiring a permit is approved; and
- (3) whether piscicide use is approved.

Additional waters may not be used until they are approved by the commissioner.

(b) The right to use waters licensed for private fish hatchery or aquatic farm purposes may be transferred between licensees with prior approval by the commissioner if requirements for species to be raised are met. Waters that are continually connected by a permanent watercourse to other waters must not be approved for aquatic farm use, except that connected waters that are isolated from other waters may be licensed as a single water body. Waters that are intermittently connected or may become connected with other waters may be denied, or screening or other measures may be required to prevent passage of aquatic life. Listed waters may be changed on approval by the area fisheries supervisor or the commissioner.

(c) The commissioner shall conduct an inspection of waters to be licensed prior to approving or denying initial licensing of the waters.

(d) Waters containing game fish of significant public value may be denied licensing unless the applicant can demonstrate exclusive riparian control.

(e) Waters containing game fish of significant public value may be denied licensing unless the game fish of significant public value are sold to the licensee, removed for other state use by the department of natural resources, or disposed of as provided in writing by the commissioner.

(f) Waters licensed under an aquatic farm license may be aerated during open water periods without a separate aeration permit.

Sec. 6. Minnesota Statutes 1992, section 17.4985, subdivision 2, is amended to read:

Subd. 2. [BILL OF LADING.] (a) A person may transport aquatic life except salmonids or catfish with a completed bill of lading for:

(1) intrastate transportation of aquatic life between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the same species and of the proper classification for the aquatic life *if the aquatic life is being transported into a watershed where it is not currently present or if the original source of the aquatic life is outside Minnesota and contiguous states*; and

(2) stocking of waters other than public waters.

(b) When aquatic life is transported between licensed private fish hatcheries, aquatic farms, or aquarium facilities under paragraph (a), a copy of the bill of lading must be submitted to the regional fisheries manager:

(1) at least 72 hours before the transportation if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states; or

(2) within 30 days in cases not covered by clause (1).

(c) A bill of lading is also required at least 72 hours before any transportation between licensed waters of the same licensee if species transported into a watershed are not found in it, or have their original source outside Minnesota and contiguous states.

(d) For transportation and stocking of waters that are not public waters:

(1) a bill of lading must be submitted to the regional fisheries manager 72 hours before transporting fish for stocking;

(2) a bill of lading must be submitted to the regional fisheries manager within five days after stocking if the waters to be stocked are confirmed by telecopy or telephone prior to stocking by the regional fisheries office not to be public waters; or

(3) a completed bill of lading may be submitted to the regional fisheries office by telecopy prior to transporting fish for stocking. Confirmation that the waters to be stocked are not public waters may be made by returning the bill of lading by telecopy or in writing, in which cases additional copies need not be submitted to the department of natural resources.

(e) (d) Bill of lading forms may only be issued by the department of natural resources in St. Paul, and new bill of lading forms may not be issued until all previously issued forms have been returned.

Sec. 7. Minnesota Statutes 1992, section 17.4985, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS FOR TRANSPORTATION PERMITS AND BILLS OF LADING.] (a) A bill of lading or transportation permit is not required by an aquatic farm licensee for importation, transportation, or export for the following:

(1) minnows taken under an aquatic farm license in this state and transported intrastate;

(2) aquarium or ornamental fish including *goldfish and tropical*, subtropical, and saltwater species that cannot survive in the waters of the state, which may be imported or transported if accompanied by shipping documents;

(3) fish or fish eggs that have been processed for use as food, bait, or other purposes unrelated to fish propagation;

(4) live fish, except salmonids and catfish, from a licensed aquatic farm, which may be transported directly to an outlet for processing or for other food purposes if accompanied by shipping documents;

(5) fish being exported if accompanied by shipping documents;

(6) sucker eggs, sucker fry, or fathead minnows transported intrastate for bait propagation or feeding of cultural aquatic life;

(7) species of fish that are found within the state used in connection with public shows, exhibits, demonstrations, or fishing pools for periods not exceeding 14 days; or

(8) ~~transfer of aquatic life between licensed waters of the same licensee intrastate transportation of aquatic life between licensed private fish hatcheries, aquatic farms, or aquarium facilities licensed for the same species and of the proper facility classification for the aquatic life, except where required in subdivision 2 and except that salmonids and catfish may only be transferred or transported intrastate without a transportation permit if they had no record of bacterial kidney disease at the time they were imported into the state and if the most recent fish health inspection since importation has shown no certifiable diseases to be present.~~

*Aquatic life being transferred between licensed private fish hatcheries, aquatic farms, or aquarium facilities must be accompanied by shipping documents and salmonids and catfish being transferred or transported intrastate without a transportation permit must be accompanied by a copy of their most recent fish health inspection.*

(b) Shipping documents required under paragraph (a) must show the place of origin, owner or consignee, destination, number, and species.

Sec. 8. Minnesota Statutes 1992, section 17.4986, subdivision 2, is amended to read:

Subd. 2. [LICENSED FACILITIES.] (a) The commissioner shall issue transportation permits to import:

(1) indigenous and naturalized species except trout, salmon, and catfish from any source to a standard facility;

(2) trout, salmon, and catfish from a nonemergency disease area to a containment facility if the fish are certified within the previous year to be free of certifiable diseases, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced; and

(3) trout, salmon, and catfish from a facility in a nonemergency disease area with a disease-free history of three years or more to a standard facility, except that eggs with enteric redmouth, whirling disease, or furunculosis may be imported following treatment approved by the commissioner, and fish with bacterial kidney disease may be imported into areas where the disease has been previously introduced.

(b) If a source facility in an emergency or a nonemergency disease area cannot demonstrate a history free from disease, aquatic life may only be imported into a quarantine facility.

Sec. 9. Minnesota Statutes 1992, section 17.4986, is amended by adding a subdivision to read:

*Subd. 4. [DISEASE-FREE HISTORY.] When disease-free histories of more than one year are required for importing salmonids or catfish, the disease history must be of consecutive years that include the year previous to, or the year of, the transportation request.*

Sec. 10. Minnesota Statutes 1992, section 17.4991, subdivision 3, is amended to read:

Subd. 3. [FISH HEALTH INSPECTION.] (a) An aquatic farm propagating trout, salmon, or catfish and having an effluent discharge from the aquatic farm into public waters must have an annual fish health inspection conducted by a certified fish health inspector. Testing must be conducted according to approved laboratory methods.

(b) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the department of natural resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

(c) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book by a person certified as a fish health inspector.

(d) All aquatic life in transit or held at transfer stations within the state may be inspected by the commissioner. This inspection may include the collection of stock for purposes of pathological analysis. Sample size necessary for analysis will follow guidelines listed in the Fish Health Blue Book.

(e) *Salmonids and catfish must have a fish health inspection before being transported from a containment facility, unless the fish are being transported directly to an outlet for processing or other food purposes or unless the commissioner determines that an inspection is not needed. A fish health inspection conducted for this purpose need only be done on the lot or lots of fish that will be transported. The commissioner must conduct a fish health inspection requested for this purpose within five working days of receiving written notice. Salmonids and catfish may be immediately transported from a containment facility to another containment facility once a sample has been obtained for a health inspection or once the five-day notice period has expired.*

Sec. 11. Minnesota Statutes 1992, section 17.4991, subdivision 4, is amended to read:

Subd. 4. [EMERGENCY DISEASE DETERMINATION.] If emergency diseases exist, the commissioner may order the fish aquatic life in the facility to be impounded, confiscated, sold, or destroyed and the facility disinfected. The commissioner shall make every effort to allow disposed fish aquatic life to be sold for market if there is no imminent danger of a significant adverse impact on natural fish populations or human health or of escape of the pathogen to public waters.

Sec. 12. Minnesota Statutes 1992, section 17.4991, is amended by adding a subdivision to read:

Subd. 5. [AQUACULTURE THERAPEUTICS REGISTRATION.] (a) *Aquaculture therapeutics must be registered and labeled in accordance with rules adopted by the commissioner of agriculture relating to drugs and feed additives.*

(b) *The department of agriculture may not require registration of those aquaculture therapeutics designated as low regulatory priority by the United States Food and Drug Administration.*

Sec. 13. Minnesota Statutes 1992, section 17.4992, subdivision 3, is amended to read:

Subd. 3. [ACQUISITION OF FISH FOR BROOD STOCK.] Game fish brood stock may be sold to private fish hatcheries or aquatic farms by the state at fair wholesale market value. As a one-time purchase for brood stock development, up to 20 pair of adults may be provided, if available, by the state through normal operations.

Sec. 14. Minnesota Statutes 1992, section 17.4995, is amended to read:

17.4995 [RECEIPTS TO THE GAME AND FISH FUND DEPARTMENT OF NATURAL RESOURCES.]

Money received by the state under sections 17.4981 to 17.4997 must be deposited in the state treasury and credited to the game and fish fund and is appropriated to the commissioner for fisheries purposes.

Sec. 15. [17.4998] [VIOLATIONS; PENALTY.]

*Unless a different penalty is prescribed, a violation of a provision of sections 17.4981 to 17.4997 or a rule of the commissioner governing the operation of an aquatic farm, private fish hatchery, or quarantine facility is a misdemeanor.*

Sec. 16. Minnesota Statutes 1992, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. ~~Aquaculture therapeutics shall be registered and labeled in the same manner as pesticides.~~ Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used only with the written permission of the commissioner.

(d) Each pesticide with a unique United States Environmental Protection Agency pesticide registration number or a unique brand name must be registered with the commissioner.

Sec. 17. Minnesota Statutes 1992, section 97C.203, is amended to read:

97C.203 [DISPOSAL OF STATE HATCHERY EGGS OR FRY.]

The commissioner shall dispose of game fish eggs and fry according to the following order of priorities:

(1) distribution of fish eggs and fry to state hatcheries to hatch fry or raise fingerlings for stocking waters of the state for recreational fishing; *and*

(2) sale of fish eggs and fry to private fish hatcheries or licensed aquatic farms ~~to hatch fry or raise fingerlings to stock waters of this state with fingerlings for recreational fishing~~ at a price not less than the *wholesale* fair market value, established as the average price charged at the state's private hatcheries and contiguous states per volume rates; *and*

~~(3) sale at fair market value, established as the average price charged at the state's private sources and contiguous states per volume rates of fish eggs and fry to private fish hatcheries and aquatic farms to hatch fry or raise fingerlings for sale.~~

Sec. 18. Minnesota Statutes 1992, section 97C.515, subdivision 4, is amended to read:

Subd. 4. [PRIVATE FISH HATCHERY OR AQUATIC FARM.] A person with a private fish hatchery *or aquatic farm* license may transport minnows from contiguous states to the private fish hatchery *or aquatic farm*, provided

the minnows are used for processing or feeding hatchery fish. The commissioner may require inspection of minnows transported from outside the state.

Sec. 19. Minnesota Statutes 1992, section 97C.525, subdivision 3, is amended to read:

Subd. 3. [MINNOW DEALERS AND HAULERS.] A resident minnow dealer or a nonresident exporting minnow hauler may transport ~~leeches, suckers, and fathead~~ minnows out of the state. A nonresident exporting minnow hauler must possess a bill of lading issued by a minnow dealer with an exporting minnow dealer's license. The bill of lading must be on a form furnished by the commissioner and must state the exporting minnow hauler's name and address, the route through the state, number and species of minnows, and the time it was issued.

Sec. 20. Minnesota Statutes 1992, section 103G.2241, is amended to read: 103G.2241 [EXEMPTIONS.]

~~Subdivision 1. [EXEMPTIONS.]~~ (a) Subject to the conditions in paragraph (b), a replacement plan for wetlands is not required for:

(1) activities in a wetland that was planted with annually seeded crops, was in a crop rotation seeding of pasture grasses or legumes, or was required to be set aside to receive price support or other payments under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to January 1, 1991;

(2) activities in a wetland that is or has been enrolled in the federal conservation reserve program under United States Code, title 16, section 3831, that:

(i) was planted with annually seeded crops, was in a crop rotation seeding, or was required to be set aside to receive price support or payment under United States Code, title 7, sections 1421 to 1469, in six of the last ten years prior to being enrolled in the program; and

(ii) has not been restored with assistance from a public or private wetland restoration program;

(3) activities necessary to repair and maintain existing public or private drainage systems as long as wetlands that have been in existence for more than 20 years are not drained;

(4) activities in a wetland that has received a commenced drainage determination provided for by the federal Food Security Act of 1985, that was made to the county agricultural stabilization and conservation service office prior to September 19, 1988, and a ruling and any subsequent appeals or reviews have determined that drainage of the wetland had been commenced prior to December 23, 1985;

(5) activities exempted from federal regulation under United States Code, title 33, section 1344(f);

(6) activities authorized under, and conducted in accordance with, an applicable general permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, except the nationwide permit in Code of Federal

Regulations, title 33, section 330.5, paragraph (a), clause (14), limited to when a new road crosses a wetland, and all of clause (26);

(7) activities in a type 1 wetland on agricultural land, as defined in United States Fish and Wildlife Circular No. 39 (1971 edition) except for bottomland hardwood type 1 wetlands;

(8) activities in a type 2 wetland that is two acres in size or less located on agricultural land;

(9) activities in a wetland restored for conservation purposes under a contract or easement providing the landowner with the right to drain the restored wetland;

(10) activities in a wetland created solely as a result of:

(i) beaver dam construction;

(ii) blockage of culverts through roadways maintained by a public or private entity;

(iii) actions by public entities that were taken for a purpose other than creating the wetland; or

(iv) any combination of (i) to (iii);

(11) placement, maintenance, repair, enhancement, or replacement of utility or utility-type service, including the transmission, distribution, or furnishing, at wholesale or retail, of natural or manufactured gas, electricity, telephone, or radio service or communications if:

(i) the impacts of the proposed project on the hydrologic and biological characteristics of the wetland have been avoided and minimized to the extent possible; and

(ii) the proposed project significantly modifies or alters less than one-half acre of wetlands;

(12) activities associated with routine maintenance of utility and pipeline rights-of-way, provided the activities do not result in additional intrusion into the wetland;

(13) alteration of a wetland associated with the operation, maintenance, or repair of an interstate pipeline;

(14) temporarily crossing or entering a wetland to perform silvicultural activities, including timber harvest as part of a forest management activity, so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the activities do not result in the construction of dikes, drainage ditches, tile lines, or buildings; and the timber harvesting and other silvicultural practices do not result in the drainage of the wetland or public waters;

(15) permanent access for forest roads across wetlands so long as the activity limits the impact on the hydrologic and biologic characteristics of the wetland; the construction activities do not result in the access becoming a dike, drainage ditch or tile line; with filling avoided wherever possible; and there is no drainage of the wetland or public waters;

(16) activities associated with routine maintenance or repair of existing public highways, roads, streets, and bridges, provided the activities do not

result in additional intrusion into the wetland and do not result in the draining or filling, wholly or partially, of a wetland outside of the existing right-of-way;

(17) emergency repair and normal maintenance and repair of existing public works, provided the activity does not result in additional intrusion of the public works into the wetland and do not result in the draining or filling, wholly or partially, of a wetland;

(18) normal maintenance and minor repair of structures causing no additional intrusion of an existing structure into the wetland, and maintenance and repair of private crossings that do not result in the draining or filling, wholly or partially, of a wetland;

(19) duck blinds;

(20) aquaculture activities, ~~except building or altering of docks and activities involving the draining or filling, wholly or partially, of a wetland including pond excavation and construction and maintenance of associated access roads and dikes authorized under, and conducted in accordance with, a permit issued by the United States Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344, but not including construction or expansion of buildings;~~

(21) wild rice production activities, including necessary diking and other activities authorized under a permit issued by the United State Army Corps of Engineers under section 404 of the federal Clean Water Act, United States Code, title 33, section 1344;

(22) normal agricultural practices to control pests or weeds, defined by rule as either noxious or secondary weeds, in accordance with applicable requirements under state and federal law, including established best management practices;

(23) activities in a wetland that is on agricultural land annually enrolled in the federal Food, Agricultural, Conservation, and Trade Act of 1990, United States Code, title 16, section 3821, subsection (a), clauses (1) to (3), as amended, and is subject to sections 1421 to 1424 of the federal act in effect on January 1, 1991, except that land enrolled in a federal farm program is eligible for easement participation for those acres not already compensated under a federal program;

(24) development projects and ditch improvement projects in the state that have received preliminary or final plat approval, or infrastructure that has been installed, or having local site plan approval, conditional use permits, or similar official approval by a governing body or government agency, within five years before July 1, 1991. In the seven-county metropolitan area and in cities of the first and second class, plat approval must be preliminary as approved by the appropriate governing body.

(b) A person conducting an activity in a wetland under an exemption in paragraph (a) shall ensure that:

(1) appropriate erosion control measures are taken to prevent sedimentation of the water;

(2) the activity does not block fish passage in a watercourse; and

(3) the activity is conducted in compliance with all other applicable federal,



state, and local requirements, including best management practices and water resource protection requirements established under chapter 103H.”

Delete the title and insert:

“A bill for an act relating to natural resources; modifying provisions relating to aquaculture; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 17.4982, subdivisions 1, 8, and by adding a subdivision; 17.4983, subdivision 2; 17.4984, subdivision 2; 17.4985, subdivisions 2 and 3; 17.4986, subdivision 2, and by adding a subdivision; 17.4991, subdivisions 3, 4, and by adding a subdivision; 17.4992, subdivision 3; 17.4995; 18B.26, subdivision 1; 97C.203; 97C.515, subdivision 4; 97C.525, subdivision 3; and 103G.2241; proposing coding for new law in Minnesota Statutes, chapter 17.”

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

S.F. No. 1557: A bill for an act relating to data privacy; eliminating a classification of legislators' telephone records; amending Laws 1989, chapter 335, article 1, section 15, subdivision 3.

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.E. No. 798: A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for March 24, 1993, be amended to read:

“the bill do pass and be re-referred to the Committee on Finance”. 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. 496: A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

Reports the same back with the recommendation that the report from the Committee on Family Services, shown in the Journal for March 25, 1993, be amended to read:

“the bill be amended and when so amended the bill do pass and be re-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. 993: A bill for an act relating to public safety; allowing social security numbers of commercial drivers to be provided to the federal commercial driver license information system; allowing person whose vehicle license plates are impounded to designate a licensed driver for the purpose of obtaining special series license plates; prohibiting person whose license plates are impounded from purchasing a motor vehicle under certain conditions; clarifying driver's license classification provisions; imposing fee for duplicate identification card; requiring application for duplicate identification card when certain information changes; including certain traffic offenses as being serious violations when committed by commercial vehicle drivers; providing for driver's license reinstatement fees; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 168.042, subdivision 12, and by adding a subdivision; 171.02, subdivision 2; 171.06, subdivision 2; 171.11; 171.165, subdivision 4; and 171.29, subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Transportation and Public Transit, shown in the Journal for March 29, 1993, be amended to read:

"the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 834: A bill for an act relating to motor fuels; directing public service department to evaluate and implement policy to provide incentives for developing use of motor vehicles powered by alternate fuels; exempting alternative fuels from motor fuel tax but requiring permit; amending Minnesota Statutes 1992, sections 216C.01, by adding subdivisions; 296.01, by adding subdivisions; 296.025, subdivision 1a; and 296.026, subdivisions 1, 2a, 6, and 7; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C.

Reports the same back with the recommendation that the report from the Committee on Jobs, Energy and Community Development, shown in the Journal for March 31, 1993, be amended to read:

"the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 154: A bill for an act relating to taxation; motor fuel taxes; providing for refunds of fuel taxes paid on fuel used to operate passenger snowmobiles as part of the operations of a resort; amending Minnesota Statutes 1992, sections 296.01, by adding a subdivision; and 296.18, subdivision 1.

Reports the same back with the recommendation that the report from the

Committee on Transportation and Public Transit, shown in the Journal for March 31, 1993, be amended to read:

“the bill do pass and be re-referred to the Committee on Finance”. 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. 1142: A bill for an act relating to transportation; prohibiting parking in transit stops marked with a handicapped sign; establishing priority for transit in energy emergencies; requiring motor vehicles to yield to transit buses entering traffic; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.20, by adding a subdivision; 169.346, subdivision 1; and 216C.15, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Transportation and Public Transit, shown in the Journal for March 31, 1993, 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 under Rule 35, together with the committee report thereon,

S.F. No. 1007: A bill for an act relating to veterans; authorizing the legislature to hear and determine claims by patients at the Minnesota veterans homes; amending Minnesota Statutes 1992, section 3.738, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Veterans and General Legislation, shown in the Journal for March 31, 1993, be amended to read:

“the bill do pass and be re-referred to the Committee on Finance”. 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. 861: A bill for an act relating to the agricultural finance authority; authorizing direct loans and participations; increasing the dollar limit; amending Minnesota Statutes 1992, sections 41B.02, by adding a subdivision; and 41B.043.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Rural Development, shown in the Journal for April 1, 1993, be amended to read:

“the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 813: A bill for an act relating to agriculture; redefining terms in the plant pest act; amending Minnesota Statutes 1992, section 18.46, subdivisions 3 and 9, and by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Rural Development, shown in the Journal for April 5, 1993, 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 were referred for proper reference under Rule 35:

S.F. Nos. 1515 and 1546 reports the same back with the recommendation that the bills be re-referred as follows:

S.F. No. 1515 to the Committee on Commerce and Consumer Protection.

S.F. No. 1546 to the Committee on Metropolitan and Local Government.

Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1134: A bill for an act relating to insurance; regulating fees, data collection, coverages, notice provisions, enforcement provisions, the Minnesota joint underwriting association and the liquor liability assigned risk plan; enacting the NAIC model regulation relating to reporting requirements for licensees seeking to do business with certain unauthorized multiple employer welfare arrangements; making various technical changes; amending Minnesota Statutes 1992, sections 13.71, by adding subdivisions; 45.024, subdivision 2; 59A.12, by adding a subdivision; 60A.02, by adding a subdivision; 60A.03, subdivisions 5 and 6; 60A.052, subdivision 2; 60A.082; 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.21, subdivision 2; 60C.22; 60K.06; 60K.14, subdivision 4; 60K.19, subdivision 8; 61A.02, subdivision 2; 61A.031; 61A.04; 61A.07; 61A.071; 61A.073; 61A.074, subdivision 1; 61A.08; 61A.09, subdivision 1; 61A.092, by adding a subdivision; 61A.12, subdivision 1; 62A.047; 62A.148; 62A.153; 62A.43, subdivision 4; 62E.19, subdivision 1; 62H.01; 62I.02; 62I.03; 62I.07; 65A.01, subdivision 1; 65A.29, subdivision 7; 65B.49, subdivision 3; 72A.20, by adding a subdivision; 72A.201, subdivision 9; 72A.41, subdivision 1; 72B.03, subdivision 1; 72B.04, subdivision 2; 176.181, subdivision 2; 340A.409, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 45; 62A; 62H; repealing Minnesota Statutes 1992, sections 72A.45; 72B.07; Minnesota Rules, parts 2783.0010; 2783.0020; 2783.0030; 2783.0040; 2783.0050; 2783.0060; 2783.0070; 2783.0080; 2783.0090; and 2783.0100.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 and 3, delete section 6 and insert:

“Sec. 6. Minnesota Statutes 1992, section 59A.12, is amended by adding a subdivision to read:

*Subd. 5. Whenever an insurer, after having been advised that an insurance policy has been financed by a premium finance agreement, returns an unearned premium on such a policy, the insurer shall deliver or mail to the policyholder a notice that includes the following information: the amount of premium paid, the term of the policy, the date coverage began and ceased, the*

amount of the unearned premium, the name of the party receiving the funds, and a statement of the obligation of the premium finance company to return within 30 days of receipt of the unearned premium any amount of the unearned premium in excess of the amount owed by the policyholder to the premium finance company."

Page 3, delete lines 15 to 26 and insert:

"Subd. 28. [GROUP INSURANCE.] "Group insurance" means that form of insurance coverage sponsored by:

(1) an employer covering not less than two employees and which may include the employees' dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any employer, or group of employers who have joined into an arrangement for the purposes of providing the employees insurance for their individual benefit. Employees' dependents, consisting of husband, wife, children, and actual dependents residing in the same household, are not employees for purposes of this definition except for a spouse employed on a regular full-time basis by the same employer. This clause does not apply to chapter 62L;

(2) an association to provide insurance to its members; or

(3) a creditor to provide life insurance to insure its debtors in connection with real estate mortgage loans, in an amount not to exceed the actual or scheduled amount of their indebtedness."

Page 3, line 33, delete everything after the first comma

Page 3, line 34, delete the new language

Page 5, line 35, after the comma, insert "if the insurer is under the supervision or control of the insurance department of the insurer's state of domicile"

Page 6, line 23, delete "condition of coverage" and insert "preexisting condition limitation"

Page 6, after line 30, insert:

"Sec. 12. Minnesota Statutes 1992, section 60A.085, is amended to read:

60A.085 [CANCELLATION OF GROUP COVERAGE; NOTIFICATION TO COVERED PERSONS.]

(a) No cancellation of any group life, group accidental death and dismemberment, group disability income, or group medical expense policy, plan, or contract is effective unless the insurer has made a good faith effort to notify all covered persons of the cancellation at least 30 days before the effective cancellation date. For purposes of this section, an insurer has made a good faith effort to notify all covered persons if the insurer has notified all the persons included on the list required by paragraph (b) at the home address given and only if the list has been updated within the last 12 months.

(b) At the time of the application for coverage subject to paragraph (a), the insurer shall obtain an accurate list of the names and home addresses of all persons to be covered. ~~The insurer shall obtain an update of the list at least once during each subsequent 12-month period while the policy, plan, or contract is in force.~~

(c) Paragraph (a) shall not apply if the group policy, plan, or contract is replaced by a substantially similar policy, plan, or contract.”

Page 9, after line 2, insert:

“Sec. 15. Minnesota Statutes 1992, section 60A.206, subdivision 3, is amended to read:

Subd. 3. [STANDARDS TO BE MET BY INSURERS.] (a) The commissioner shall recognize the insurer as an eligible surplus lines insurer when satisfied that the insurer is in a stable, unimpaired financial condition and that the insurer is qualified to provide coverage in compliance with sections 60A.195 to 60A.209. If filed with full supporting documentation before July 1 of any year, applications submitted under subdivision 2 shall be acted upon by the commissioner before December 31 of the year of submission.

(b) The commissioner shall not authorize an insurer as an eligible surplus lines insurer unless the insurer continuously maintains capital and surplus of at least \$3,000,000 and transaction of business by the insurer is not hazardous, financially or otherwise, to its policyholders, its creditors, or the public. Each alien surplus lines insurer shall have current financial data filed with the National Association of Insurance Commissioners Nonadmitted Insurers Information Office.

(c) Eligible surplus lines insurers domiciled within the United States shall file an annual statement and an annual financial audit, under the terms and conditions of section 60A.13, subdivisions 1, 3a, and 6, and are subject to the penalties of section 72A.061, and are subject to section 60A.03, subdivision 5, in regard to those requirements. The commissioner also has the powers provided in section 60A.13, subdivision 2, in regard to eligible surplus lines insurers.

(d) Eligible surplus lines insurers domiciled outside the United States shall file an annual statement on the standard nonadmitted insurers information office financial reporting format as prescribed by the National Association of Insurance Commissioners and an annual financial audit performed by an independent accounting firm.”

Page 11, after line 1, insert:

“Sec. 17. Minnesota Statutes 1992, section 60A.285, is amended by adding a subdivision to read:

Subd. 30. [RECORDS RETENTION.] *An insurer shall retain copies of all underwriting documents, policy forms, and applications for three years from the effective date of the policy. This subdivision does not relieve the insurer of its obligation to produce these documents to the department after the retention period has expired in connection with an enforcement action or administrative proceeding against the insurer from whom the documents are requested, if the insurer has retained the documents. Records required to be retained by this section may be retained in paper, photograph, microprocess, magnetic, mechanical, or electronic media, or by any process which accurately reproduces or forms a durable medium for the reproduction of a record.*

Sec. 18. Minnesota Statutes 1992, section 60A.36, is amended by adding a subdivision to read:

Subd. 5. [RESCISSION.] *(a) No insurer may rescind or void a contract of liability or property insurance unless there was material misrepresentation,*

*omission, or fraud made by or with the knowledge of the insured in obtaining the contract or in pursuing a claim under the policy.*

*(b) No misrepresentation shall be material unless knowledge by the insurer of the facts misrepresented or omitted would have led to a refusal by the insurer to make such a contract. In determining the question of materiality, evidence of the practice of the insurer with respect to the acceptance or rejection of similar risks shall be admissible.*

*(c) For purposes of this section, a representation is a statement as to past or present fact, made to an insurer or the insurer's agent by the applicant as an inducement for issuing a contract of commercial liability or property insurance. A misrepresentation is a false representation, and the facts misrepresented are those facts which make the representation false.*

*(d) This does not limit the right to cancel the policy prospectively for failure to disclose a condition."*

Page 11, lines 21 to 27, reinstate the stricken language and delete the new language

Page 12, line 24, delete "of each odd-numbered year"

Page 12, delete lines 35 and 36

Page 13, line 1, delete "(e)" and insert "(d)"

Page 13, line 7, before "accident" insert "individual"

Page 13, delete section 18 and insert:

"Sec. 22. Minnesota Statutes 1992, section 60K.19, subdivision 5, is amended to read:

Subd. 5. [POWERS OF THE ADVISORY TASK FORCE.] (a) Applications for approval of individuals responsible for monitoring course offerings must be submitted to the commissioner on forms prescribed by the commissioner and must be accompanied by a fee of not more than \$100 payable to the state of Minnesota for deposit in the general fund. A fee of ~~\$10~~ \$20 for each hour or fraction of one hour of course approval sought must be forwarded with the application for course approval. If the advisory task force is created, it shall make recommendations to the commissioner regarding the accreditation of courses sponsored by institutions, both public and private, which satisfy the criteria established by this section, the number of credit hours to be assigned to the courses, and rules which may be promulgated by the commissioner. The advisory task force shall seek out and encourage the presentation of courses.

(b) If the advisory task force is created, it shall make recommendations and provide subsequent evaluations to the commissioner regarding procedures for reporting compliance with the minimum education requirement.

(c) The advisory task force shall recommend the approval or disapproval of professional designation examinations that meet the criteria established by this section and the number of continuing education credit hours to be awarded for passage of the examination. In order to be approved, a professional designation examination must:

(1) lead to a recognized insurance or financial planning professional designation used by agents; and

(2) conclude with a written examination that is proctored and graded."

Page 14, line 14, after the period, insert "This section shall not apply to a certificate of insurance or similar evidence of coverage which meets the conditions of section 61A.093, subdivision 2."

Page 16, line 10, reinstate the first stricken comma and after the stricken "2" insert "except life insurance marketed on a direct response basis" and reinstate the second stricken comma

Page 16, line 14, after the period, insert "However, where an individual life policy is marketed on a direct response basis, a copy of any application signed by the applicant shall be delivered to the insured along with, or as part of, the policy."

Page 19, lines 7 and 13, after the period, insert "This section shall not apply to a certificate of insurance or similar evidence of coverage which meets the conditions of section 61A.093, subdivision 2."

Page 19, after line 13, insert:

"Sec. 33. [61A.093] [CERTIFICATE OF INSURANCE.]

*Subdivision 1. A certificate of insurance or similar evidence of coverage issued to a Minnesota resident shall provide coverage for all benefits required to be covered in group policies in Minnesota by this chapter.*

*This subdivision supersedes any inconsistent provision of this chapter.*

*A policy of life insurance that is issued or delivered in this state and that covers a person residing in another state may provide coverage or contain provisions that are less favorable to that person than required by this chapter. Less favorable coverages or provisions must meet the requirements that the state in which the person resides would have required had the policy been issued or delivered in that state.*

*Subd. 2. Subdivision 1 does not apply to certificates issued in regard to a master policy issued outside the state of Minnesota if all of the following are true:*

*(1) the policyholder or certificate holder exists primarily for purposes other than to obtain insurance;*

*(2) the policyholder or certificate holder is not a Minnesota corporation and does not have its principal office in Minnesota;*

*(3) the policy or certificate covers fewer than 25 persons who are residents of Minnesota and the Minnesota residents represent less than 25 percent of all covered persons; and*

*(4) on request of the commissioner, the issuer files with the commissioner a copy of the policy and a copy of each form of certificate.*

*Subd. 3. Section 60A.08, subdivision 4, shall not be construed as requiring a certificate of insurance or similar evidence of insurance that meets the conditions of subdivision 2 to comply with this chapter."*

Page 19, after line 23, insert:

"Sec. 35. Minnesota Statutes 1992, section 61A.282, subdivision 2, is amended to read:



Subd. 2. [LENDING OF SECURITIES.] A company may loan securities held by it under this chapter to a broker-dealer registered under the Securities and Exchange Act of 1934 or to a bank which is a member of the Federal Reserve System, under the following conditions:

(a) The market value of loaned securities outstanding at any one time, excluding securities held in a separate account established pursuant to section 61A.14, subdivision 1, or 61A.275, shall not exceed 50 percent of the company's capital and surplus 40 percent of the company's admitted assets as of the December 31 immediately preceding.

(b) The company is limited to no more than two percent of its admitted assets as of the December 31 immediately preceding being subject to lending of securities with any one borrower.

(c) Each loan must be evidenced by a written agreement which provides:

(a) (1) that the loan will be fully collateralized by cash or obligations issued or guaranteed by the United States or an agency or an instrumentality thereof, and that the collateral will be adjusted each business day during the term of the loan to maintain the required collateral in the event of market value changes in the loaned securities or collateral;

(b) (2) that the loan may be terminated by the company at any time, and that the borrower must return the loaned securities or their equivalent within five business days after termination;

(c) (3) that the company has the right to retain the collateral or to use the collateral to purchase securities equivalent to the loaned securities if the borrower defaults under the terms of the agreement; and

(d) (4) that the borrower remains liable for any losses and expenses, not covered by the collateral, which are incurred by the company due to default."

Page 20, line 32, after "No" insert "individual"

Page 21, line 10, after the period, insert "This section does not apply to persons who were covered under an individual policy or contract prior to July 1, 1994."

Page 21, line 25, after the period, insert "This includes coverage of dependents of the employee."

Page 21, delete lines 29 to 31

Page 23, line 22, delete "(a)"

Page 23, line 23, after "otherwise" insert "retroactively"

Page 23, line 25, after the period, insert "No insurer may prospectively restrict coverage for a preexisting condition of which the application or other information provided by the insured reasonably gave the insurer notice unless the coverage is restricted at the time the policy is issued and the restriction is disclosed in writing to the insured at the time the policy is issued."

Page 23, delete lines 26 to 30

Page 34, after line 29, insert:

"Sec. 57. Minnesota Statutes 1992, section 62I.13, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] *To be eligible to participate in the association, an applicant must apply for coverage through the market assistance program, as required by section 62I.08. Except as provided for by subdivision 4, the market assistance program has 30 days from the receipt of the application to secure an offer of coverage for the applicant. If the market assistance program is able to secure an offer of coverage for the applicant and if the offer of coverage would not be considered a refusal for purposes of the association, then coverage may not be extended by the association. Eligibility for coverage by the association is also subject to the terms and conditions of subdivisions 2 and 3.*

Sec. 58. Minnesota Statutes 1992, section 62I.13, subdivision 2, is amended to read:

Subd. 2. [MINIMUM OF QUALIFICATIONS.] Anyone who is unable to obtain insurance in the private market and who so certifies to the association in the application is eligible to make written application to the association for coverage. Payment of the applicable premium or required portion of it must be paid prior to coverage by the association. An offer of coverage at a rate in excess of the rate that would be charged by the association for similar coverage and risk shall be deemed to be a refusal of coverage for purposes of eligibility for participation in the association. It shall not be deemed to be a written notice of refusal if the rate for coverage offered is less than five percent in excess of the joint underwriting association rates for similar coverage and risk or 20 percent in excess of the joint underwriting association rates for liquor liability coverages. However, the offered rate must also be the rate that the insurer has filed with the department of commerce if the insurer is required to file its rates with the department. If the insurer is not required to file its rates with the department, the offered rate must be the rate generally charged by the insurer for similar coverage and risk.

Sec. 59. Minnesota Statutes 1992, section 62I.20, is amended to read:

62I.20 [MERGER OF OTHER PLANS.]

Upon application by the governing body of the liquor liability assigned risk plan authorized by section 340A.409 or the joint underwriting association authorized by chapter 62F to be merged with the association, the commissioner shall, if the commissioner deems it appropriate, hold a public hearing in regard to the merger. The commissioner upon motion or upon the motion of any insured under plans shall hold a hearing. Unless it can be shown that the rights of the insured would be adversely affected by the merger or that it would be less efficient or more costly to merge the plans, the commissioner shall consent to the merger. The commissioner shall also consent to the merger at any time there are less than ten insureds in any plan."

Page 37, line 9, after the period, insert "A nonowned vehicle is one not used or provided on a regular basis."

Page 37, after line 9, insert:

"Sec. 63. Minnesota Statutes 1992, section 72A.20, subdivision 29, is amended to read:

Subd. 29. [HIV TESTS; CRIME VICTIMS.] No insurer regulated under chapter 61A or 62B, or providing health, medical, hospitalization, or accident and sickness insurance regulated under chapter 62A, or nonprofit health services corporation regulated under chapter 62C, health maintenance orga-

nization regulated under chapter 62D, or fraternal benefit society regulated under chapter 64B, may:

(1) obtain or use the performance of or the results of a test to determine the presence of the human immune deficiency virus (HIV) antibody performed on an offender under section 611A.19 or performed on a crime victim who was exposed to or had contact with an offender's bodily fluids during commission of a crime that was reported to law enforcement officials, in order to make an underwriting decision, cancel, fail to renew, or take any other action with respect to a policy, plan, certificate, or contract; or

(2) ask an applicant for coverage or a person already covered whether the person has: (i) had a test performed for the reason set forth in clause (1); or (ii) been the victim of an assault or any other crime which involves bodily contact with the offender.

A question that purports to require an answer that would provide information regarding a test performed for the reason set forth in clause (1) may be interpreted as excluding this test. An answer that does not mention the test is considered to be a truthful answer for all purposes. An authorization for the release of medical records for insurance purposes must specifically exclude any test performed for the purpose set forth in clause (1) and must be read as providing this exclusion regardless of whether the exclusion is expressly stated. This subdivision does not affect tests conducted for purposes other than those described in clause (1), *including any test to determine the presence of the human deficiency virus (HIV) antibody if such test was performed at the insurer's direction as part of the insurer's normal underwriting requirements.*"

Page 38, line 14, after the period, insert "*The insurer must have been sent a copy of any communication to an agent to be held in violation of this provision.*"

Page 43, line 17, after the period, insert "*The rules may not require excessive cash payments to a common claims fund by group self-insurers. However, a level of funding in the common claims fund will always be maintained at not less than one year's claim losses paid in the most recent year.*"

Page 48, line 10, after "parts" insert "2780.4800;"

Amend the title as follows:

Page 1, line 14, after the second semicolon, insert "60A.085;"

Page 1, line 15, after the first semicolon, insert "60A.206, subdivision 3;" and after "2;" insert "60A.285, by adding a subdivision; 60A.36, by adding a subdivision;"

Page 1, line 16, delete "8" and insert "5"

Page 1, line 20, after the first semicolon, insert "61A.282, subdivision 2;"

Page 1, line 22, after the third semicolon, insert "62I.13, subdivisions 1 and 2; 62I.20;"

Page 1, line 23, after the second comma, insert "subdivision 29, and"

Page 1, line 28, delete "chapter" and insert "chapters" and after "45;" insert "61A.;"

Page 1, line 30, after "parts" insert "2780.4800;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 1113, 356, 739, 382, 991, 1077, 384, 1099, 1005, 304, 1216, 303, 1254, 1228, 1032, 876, 1104, 1290, 1454, 1074, 948, 1064, 580, 833, 1342, 1192, 1075, 825, 819, 1087, 1477, 1387, 788, 913, 1127, 1557, 1142, 813 and 1134 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 430 was read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Pogemiller moved that the name of Mr. Mondale be added as a co-author to S.F. No. 58. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Bertram be added as a co-author to S.F. No. 124. The motion prevailed.

Ms. Berglin moved that the name of Ms. Johnson, J.B. be added as a co-author to S.F. No. 1354. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Finn be added as a co-author to S.F. No. 1452. The motion prevailed.

Mr. Bertram moved that the name of Mr. Frederickson be added as a co-author to S.F. No. 1526. The motion prevailed.

Mr. Merriam, for Mr. Samuelson, moved that S.F. No. 605 be withdrawn from the Committee on Finance and given its second reading. The motion prevailed.

S.F. No. 605 was read the second time.

Mr. Riveness moved that S.F. No. 1290 on General Orders, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Johnson, D.E. moved that H.F. No. 1325 be withdrawn from the Committee on Jobs, Energy and Community Development and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1387, now on General Orders. The motion prevailed.

Mr. Finn moved that S.F. No. 1201 be withdrawn from the Committee on Commerce and Consumer Protection and re-referred to the Committee on Health Care. The motion prevailed.

Ms. Olson moved that S.F. No. 303 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 H.F. No. 1650 be taken from the table and referred to the Committee on Rules and Administration for comparison with S.F. No. 1557, now on General Orders. The motion prevailed.

Mr. Kroening moved that S.F. No. 1163 be withdrawn from the Committee

on Environment and Natural Resources and re-referred to the Committee on Metropolitan and Local Government. The motion prevailed.

Mr. Price moved that S.F. No. 1164 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Metropolitan and Local Government. The motion prevailed.

Mr. Bertram moved that S.F. No. 771 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Metropolitan and Local Government. 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. Finn, Ms. Reichgott, Mr. Betzold, Ms. Kiscaden and Mr. Knutson introduced—

S.F. No. 1558: A bill for an act relating to probate; updating article 2 on intestacy, wills, and donative transfers; correcting a reference; recodifying the Minnesota multiparty accounts act; amending Minnesota Statutes 1992, sections 524.1-201; 524.2-101; 524.2-102; 524.2-103; 524.2-104; 524.2-105; 524.2-106; 524.2-107; 524.2-108; 524.2-109; 524.2-110; 524.2-111; 524.2-113; 524.2-114; 524.2-201; 524.2-202; 524.2-205; 524.2-206; 524.2-207; 524.2-301; 524.2-302; 524.2-502; 524.2-504; 524.2-505; 524.2-507; 524.2-508; 524.2-509; 524.2-512; 524.2-602; 524.2-603; 524.2-604; 524.2-605; 524.2-606; 524.2-607; 524.2-608; 524.2-609; and 524.2-701; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1992, sections 524.2-112; 524.2-503; 524.2-610; 524.2-612; 524.3-905; 525.15; 525.151; 525.22; 525.221; 525.223.

Referred to the Committee on Judiciary.

Mr. Pogemiller introduced—

S.F. No. 1559: A bill for an act relating to education; clarifying the early childhood family education formula; modifying the pupil transportation levy for late activities; amending Minnesota Statutes 1992, sections 124.226, subdivision 9; and 124.2711, subdivision 1.

Referred to the Committee on Education.

Ms. Runbeck, Mr. Knutson, Mses. Anderson and Kiscaden introduced—

S.F. No. 1560: A bill for an act relating to human services; exempting retired teachers and foster grandparents from the general staff qualifications; amending Minnesota Statutes 1992, section 245A.04, by adding a subdivision.

Referred to the Committee on Family Services.

Mr. Knutson, Mses. Johnston, Robertson, Lesewski and Mrs. Pariseau introduced—

S.F. No. 1561: A bill for an act relating to the legislature; providing for telephone expenses, audits, and a special prosecutor; appropriating money;

amending Minnesota Statutes 1992, section 16A.281; proposing coding for new law in Minnesota Statutes, chapter 3.

Referred to the Committee on Rules and Administration.

Ms. Runbeck, Messrs. Metzen, Terwilliger, Sams and Riveness introduced—

S.F. No. 1562: A bill for an act relating to taxation; individual income; imposing tax on certain deemed discharges of indebtedness income; amending Minnesota Statutes 1992, section 290.01, subdivisions 19a and 19b; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Sams and Johnson, D.J. introduced—

S.F. No. 1563: A bill for an act relating to taxation; property; providing for valuation of certain vacant hospitals; amending Minnesota Statutes 1992, section 273.11, subdivision 1, and by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

Mr. Stumpf introduced—

S.F. No. 1564: A bill for an act relating to civil actions; regulating the apportionment of joint and several liability; amending Minnesota Statutes 1992, section 604.02, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced—

S.F. No. 1565: A bill for an act relating to taxation; providing an exemption for certain property used to provide recreational activities for disabled veterans and their families; amending Minnesota Statutes 1992, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Spear introduced—

S.F. No. 1566: A bill for an act relating to crime prevention; authorizing grants for programs to enrich opportunities for at-risk youth; requiring courts to order certain misdemeanor defendants to pay an additional fee; providing for deposit in the general fund of mandatory minimum fines; appropriating money; amending Minnesota Statutes 1992, sections 299A.35, subdivision 1; and 609.101, subdivision 4; repealing Minnesota Statutes 1992, section 609.101, subdivision 4.

Referred to the Committee on Crime Prevention.

Mr. Solon introduced—

S.F. No. 1567: A bill for an act relating to crimes; permitting the advertising of games of chance and lotteries legally operated under the laws of another jurisdiction; permitting the conduct and advertising of games of chance and lotteries by certain business, charitable, religious, social, or commercial

organizations where the game is clearly occasional and ancillary to the primary business or activity of the organization; amending Minnesota Statutes 1992, section 609.761, by adding a subdivision.

Referred to the Committee on Gaming Regulation.

Mr. Luther introduced—

S.F. No. 1568: A bill for an act relating to insurance; workers' compensation; modifying the board membership and administration of the workers' compensation assigned risk plan; establishing a market assistance plan; transferring supervisory authority over the workers' compensation reinsurance association to the commissioner of commerce; making the commissioner of commerce a board member of the state fund mutual insurance company; amending Minnesota Statutes 1992, sections 79.251, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 79.252, subdivisions 2, 5; and by adding a subdivision; and 176A.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 79.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Morse introduced—

S.F. No. 1569: A bill for an act relating to transportation; deregulating charter carriers; amending Minnesota Statutes 1992, sections 221.022; 221.025; 221.031, subdivision 3a; and 221.111; repealing Minnesota Statutes 1992, section 221.121, subdivision 6b.

Referred to the Committee on Transportation and Public Transit.

Mr. Morse introduced—

S.F. No. 1570: A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resources, and agricultural purposes; regulating the amounts, impositions, and processing of various fees prescribed for various licenses issued and activities regulated by the departments of agriculture and natural resources; amending Minnesota Statutes 1992, sections 28A.08; 84B.11, subdivision 1; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 90.031, subdivision 4; 90.101, subdivision 1; 90.121; 92.46, subdivision 1; 97A.055, subdivision 1, and by adding a subdivision; 97A.071, subdivision 2; 97A.075, subdivision 4; 103F.725, by adding a subdivision; 115A.96, by adding a subdivision; and 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 89.

Referred to the Committee on Environment and Natural Resources.

Ms. Berglin introduced—

S.F. No. 1571: A bill for an act relating to metropolitan government; providing for minority representation on the metropolitan council; amending Minnesota Statutes 1992, section 473.123, subdivisions 1 and 2a.

Referred to the Committee on Metropolitan and Local Government.

Ms. Wiener and Mr. Solon introduced—

S.F. No. 1572: A bill for an act relating to commerce; currency exchanges; changing the date for submission of license renewal applications; amending Minnesota Statutes 1992, section 53A.03.

Referred to the Committee on Commerce and Consumer Protection.

#### **MEMBERS EXCUSED**

Mr. Mondale was excused from the Session of today.

#### **ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:30 a.m., Thursday, April 8, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate



**THIRTY-SECOND DAY**

St. Paul, Minnesota, Thursday, April 8, 1993

The Senate met at 8:30 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Mr. Benson, D.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. Patrick L. Hall.

The roll was called, and the following Senators answered to their names:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

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 Senate Files, herewith returned: S.F. Nos. 215 and 729.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 7, 1993

Mr. President:

I have the honor to announce the passage by the House of the following

House Files, herewith transmitted: H.F. Nos. 449, 566, 1050, 1063, 732, 846, 976, 1274, 1423, 55, 94, 381, 801, 1018, 1296, 1454, 1039, 1089, 1311, 1420, 1527 and 163.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 7, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 449: A bill for an act relating to education; independent school district No. 206, Alexandria; providing for the beginning of board terms.

Referred to the Committee on Education.

H.F. No. 566: A bill for an act relating to telecommunications; extending authority of public utilities commission to approve incentive regulation plans for certain telephone companies; amending Laws 1989, chapter 74, section 27.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 670, now on the Calendar.

H.F. No. 1050: A bill for an act relating to utilities; providing that primary fuel source determines whether power generating plant is a large energy facility for purposes of certificate of need process; amending Minnesota Statutes 1992, section 216B.2421, subdivision 2, and by adding a subdivision.

Referred to the Committee on Jobs, Energy and Community Development.

H.F. No. 1063: A bill for an act relating to commerce; currency exchanges; changing the date for submission of license renewal applications; amending Minnesota Statutes 1992, section 53A.03.

Referred to the Committee on Commerce and Consumer Protection.

H.F. No. 732: A bill for an act relating to law enforcement; exempting law enforcement agencies from the requirements of the criminal offender rehabilitation employment law; amending Minnesota Statutes 1992, section 364.09.

Referred to the Committee on Crime Prevention.

H.F. No. 846: A bill for an act relating to civil commitment; authorizing new procedures for return of certain patients who are absent from treatment facilities without authorization; amending Minnesota Statutes 1992, section 253B.23, subdivision 1a.

Referred to the Committee on Judiciary.

H.F. No. 976: A bill for an act relating to counties; authorizing a county to transfer funds to and enter into contracts with community action agencies; amending Minnesota Statutes 1992, section 375.18, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 821, now on the Calendar.

H.F. No. 1274: A bill for an act relating to veterans; authorizing the legislature to hear and determine claims by patients at the Minnesota veterans homes; amending Minnesota Statutes 1992, section 3.738, subdivision 1.

Referred to the Committee on Finance.

H.F. No. 1423: A bill for an act relating to unemployment compensation; modifying definitions; changing provisions relating to eligibility for and administration of unemployment compensation; amending Minnesota Statutes 1992, sections 268.04, subdivisions 4 and 12; 268.08, subdivisions 3 and 6; 268.09, subdivisions 1, 2, and 8; 268.10, subdivisions 2 and 6; 268.12, subdivision 12; 268.16, subdivision 4; and 268.161, subdivision 9.

Referred to the Committee on Jobs, Energy and Community Development.

H.F. No. 55: A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers, firefighters, and surviving spouses in the city of Eveleth; amending Laws 1977, chapter 61, section 6, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 86.

H.F. No. 94: A bill for an act relating to motor vehicles; exempting certain manufacturers of snowmobile trailers from being required to have a dealer's license to transport the trailers; amending Minnesota Statutes 1992, section 168.27, subdivision 22.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 35, now on General Orders.

H.F. No. 381: A bill for an act relating to education; revising the mailing requirement for notices of referendum revenue authorization elections; amending Minnesota Statutes 1992, section 124A.03, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 509.

H.F. No. 801: A bill for an act relating to traffic regulations; requiring operating procedures for hand-held traffic radar; amending Minnesota Statutes 1992, section 169.14, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 885, now on General Orders.

H.F. No. 1018: A bill for an act relating to limited liability companies; requiring biennial registration; proposing coding for new law in Minnesota Statutes, chapter 322B.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 746.

H.F. No. 1296: A bill for an act relating to Pine county; permitting the county board to extend certain temporary land use controls.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 716, now on General Orders.

H.F. No. 1454: A bill for an act relating to the city of Hutchinson; permitting the city to erect certain signs.

Referred to the Committee on Metropolitan and Local Government.

H.F. No. 1039: A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

Referred to the Committee on Commerce and Consumer Protection.

H.F. No. 1089: A bill for an act relating to elections; setting the date by which Hennepin county park reserve district redistricting must take place; amending Minnesota Statutes 1992, section 383B.68, subdivision 4.

Referred to the Committee on Ethics and Campaign Reform.

H.F. No. 1311: A bill for an act relating to local government; providing for the continuation of the Mississippi River parkway commission; amending Minnesota Statutes 1992, section 161.1419, subdivision 8.

Referred to the Committee on Finance.

H.F. No. 1420: A bill for an act relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institutionalized persons; amending Minnesota Statutes 1992, sections 525.54, subdivisions 1 and 3; 525.544, subdivision 2; 525.58, subdivision 4; and 525.703, subdivisions 2 and 3.

Referred to the Committee on Judiciary.

H.F. No. 1527: A bill for an act relating to education; providing for school district elections in independent school district Nos. 404, 408, and 583.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1431.

H.F. No. 163: A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivi-

sions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

Referred to the Committee on Ethics and Campaign Reform.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 952: A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 781: A bill for an act relating to human services; mental health; extending an exemption for case manager qualifications; changing a definition of mental illness; changing requirements for specialized residential treatment services; allowing additional flexibility in use of community residential treatment funding; delaying required rules revision; creating a task force to study the establishment of an integrated adult mental health fund; amending Minnesota Statutes 1992, sections 245.462, subdivisions 4 and 20; 245.484; 245.4871, subdivision 4; 245.4882, subdivision 5; 245.73, subdivisions 2, 3, and by adding a subdivision; and Laws 1991, chapter 292, article 6, section 54; repealing Minnesota Statutes 1992, sections 245.711; and 245.712.

Reports the same back with the recommendation that the bill be amended as follows:

Page 8, line 8, delete "INTEGRATED" and delete "FUND" and insert "SERVICES AND FUNDING"

Page 8, line 10, delete "the"

Page 8, line 11, delete everything before "adult" and insert "and make recommendations concerning" and delete "fund" and insert "services and funding"

Page 8, lines 12, 16, 33, and 36, delete "shall" and insert "must"

Page 8, line 19, delete "the mentally ill" and insert "persons with mental illness"

Page 8, line 23, after the period, insert "The task force must also include public employee representatives from each of the state regional treatment centers that treat adults with mental illness, the division of rehabilitative

*services, and county public employee bargaining units whose members serve adults with mental illness. Public employee representatives must be selected by their exclusive representatives. The commissioner of human services shall contract with a facilitator-mediator chosen by agreement of the members of the task force."*

Page 8, lines 25 and 26, delete "*designing an integrated adult mental health fund,*"

Page 8, line 34, after "*of*" insert "*services and*"

Page 9, line 3, delete "*will*" and insert "*shall*"

Page 9, line 11, delete "*cost-effective*" and insert "*effective*"

Page 9, line 13, before the period, insert "*and representatives of state and county public employee bargaining units*"

Page 9, line 15, delete "*driven by*" and insert "*adequately funded to meet*"

Page 9, line 16, delete everything after "*needs*"

Page 9, line 17, delete everything before the semicolon

Page 9, line 25, after the first "*of*" insert "*existing or proposed*"

Page 9, line 26, delete "*consolidating or pooling*" and insert "*service delivery and*"

Page 9, line 27, after "*allow*" insert "*, where feasible,*"

Page 9, line 35, delete "*shall*" and insert "*must*"

Page 10, line 2, delete "*provides*" and insert "*provide*"

Page 10, after line 4, insert:

"Sec. 11. [APPROPRIATION.]

*\$. . . . . is appropriated to the commissioner of human services to cover a contract with the facilitator-mediator and other costs of the task force established by section 10."*

Page 10, line 9, delete "*and*" and insert a comma and after "*10*" insert "*, and 11,*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1013: A bill for an act relating to the capitol area architectural and planning board; clarifying certain duties and powers of the board; amending Minnesota Statutes 1992, section 15.50, subdivision 2, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 22, after "board" insert "by rule"

Page 3, lines 24 to 26, delete the new language.

Page 5, line 22, strike "(f)" and insert "(h)"

Page 5, after line 25, insert:

*"(f) Notwithstanding paragraph (e), an architectural competition is not required for the design of any light rail transit station and alignment within the capitol area. The board and its advisory committee shall select a preliminary design for any transit station in the capitol area. Each stage of any station's design through working drawings must be reviewed by the board's advisory committee and approved by the board to ensure that the station's design is compatible with the comprehensive plan for the capitol area and the board's design criteria. The guideway and track design of any light rail transit alignment within the capitol area must also be reviewed by the board's advisory committee and approved by the board.*

*(g) Of the amount available for the light rail transit design, adequate funds must be available to the board for design framework studies and review of preliminary plans for light rail transit alignment and stations in the capitol area."*

Page 5, line 26, strike "(f)" and insert "(h)"

Page 6, line 21, strike "(g)" and insert "(i)"

Page 6, line 28, strike "(h)" and insert "(j)"

Page 7, line 4, strike "(i)" and insert "(k)"

Page 7, line 15, strike "(j)" and insert "(l)"

Page 7, line 23, strike "(k)" and insert "(m)"

Page 7, line 27, strike "(l)" and insert "(n)"

Page 7, line 29, strike "(m)" and insert "(o)"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1260: A bill for an act relating to public employment; providing that the local government pay equity act does not limit the ability of public employees to strike; requiring the commissioner of employee relations to consider the effects of strikes in determining whether political subdivisions are in conformity with the act; amending Minnesota Statutes 1992, sections 471.992, subdivision 1; and 471.9981, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 26, reinstate the stricken "and"

Page 2, lines 27 to 29, delete the new language

Page 2, line 31, after "any" insert "*financial*" and before the period, insert "*, such as recent strike settlements*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 980: A bill for an act relating to the city of Columbia Heights; exclusions from salary in computing police relief association retirement benefits; permitting a contribution with interest by a member for past service with the city; amending Laws 1977, chapter 374, section 8, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

#### "ARTICLE 1

#### COLUMBIA HEIGHTS POLICE BENEFIT CHANGES"

Page 1, line 18, before the period, insert "*, including longevity pay and education incentive pay in an amount not to exceed \$235 per month*"

Page 2, line 5, strike "This"

Page 2, strike line 6

Page 2, line 11, after "*contribute*" insert "*to the relief association or to the consolidation account under Minnesota Statutes, chapter 353A, whichever applies,*"

Page 2, line 12, delete everything after "*officer*"

Page 2, line 13, delete everything before "*from*"

Page 2, line 16, before the period, insert "*, plus interest at the rate of 6.5 percent, compounded annually, from the date the member contribution would have been payable until the date that the equivalent amount is paid*"

Page 2, line 21, before the period, insert "*computed, in the event that the person selects benefit coverage under the public employee's police and fire fund benefit plan following a consolidation under Minnesota Statutes, chapter 353A*"

Page 2, line 30, delete "*that*" and insert "*the*" and before the period, insert "*of approval by the Columbia Heights city council*"

Page 2, after line 30, insert:

#### "ARTICLE 2

#### CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 353B.02, subdivision 10, is amended to read:

Subd. 10. [SALARY.] (a) "Salary" for benefit computation and contribution purposes means the salary of a first class or first grade firefighter or patrol



officer, whichever applies, for the former members of the following consolidating relief associations:

- (1) Anoka police relief association;
- (2) Austin firefighters relief association;
- (3) Austin police relief association;
- (4) Columbia Heights fire department relief association, paid division;
- (5) Columbia Heights police relief association;
- ~~(6)~~ Fairmont police benefit association;
- ~~(7)~~ (6) Faribault fire department relief association;
- ~~(8)~~ (7) Mankato fire department relief association;
- ~~(9)~~ (8) Minneapolis fire department relief association;
- ~~(10)~~ (9) Minneapolis police relief association;
- ~~(11)~~ (10) Richfield fire department relief association;
- ~~(12)~~ (11) Rochester fire department relief association;
- ~~(13)~~ (12) Rochester police relief association;
- ~~(14)~~ (13) St. Cloud fire department relief association;
- ~~(15)~~ (14) St. Cloud police relief association;
- ~~(16)~~ (15) St. Paul fire department relief association;
- ~~(17)~~ (16) South St. Paul firefighters relief association;
- ~~(18)~~ (17) West St. Paul firefighters relief association;
- ~~(19)~~ (18) West St. Paul police relief association; and
- ~~(20)~~ (19) Winona fire department relief association.

(b) "Salary" for benefit computation purposes means the salary of a first grade patrol officer for the second month of the previous fiscal year and for contribution purposes means the current salary of a first grade patrol officer, for the former members of the following consolidating relief associations:

- (1) Bloomington police relief association;
- (2) Crystal police relief association;
- (3) Fridley police pension association;
- (4) Richfield police relief association;
- (5) St. Louis Park police relief association; and
- (6) Winona police relief association.

(c) "Salary" for benefit computation purposes means the final salary and for contribution purposes means the current salary for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;

- (2) Albert Lea police relief association;
- (3) Buhl police relief association;
- (4) Chisholm firefighters relief association;
- (5) Crookston fire department relief association;
- (6) Crookston police relief association;
- (7) Faribault police benefit association;
- (8) Red Wing police relief association; and
- (9) Virginia fire department relief association.

(d) "Salary" for benefit computation purposes means the average earnings or salary for the final six months of employment before retirement and for contribution purposes means the current salary for the former members of the following consolidating relief associations:

- (1) Chisholm police relief association;
- (2) Hibbing firefighters relief association; and
- (3) Hibbing police relief association.

(e) "Salary" for benefit computation purposes means the greater of the final salary at retirement or the highest salary of a patrol officer and for contribution purposes means the greater of the current salary or the current highest salary of a patrol officer for the former members of the following consolidating relief associations:

- (1) Brainerd police benefit association; and
- (2) New Ulm police relief association.

(f) "Salary" for benefit computation and contribution purposes means the following for the former members of the consolidating relief associations as indicated:

(1) *salary of a top grade patrol officer, including longevity pay and education incentive pay in an amount not to exceed \$235 per month, Columbia Heights police relief association;*

(2) maximum pay of a firefighter, Duluth firefighters relief association;

~~(2)~~ (3) salary of a first class patrol officer with 16 years of service, Duluth police pension association;

~~(3)~~ (4) base salary for the rank currently held, plus longevity pay, pay for eligibility for next higher rank and pay for first aid care, Mankato police benefit association;

~~(4)~~ (5) average annual salary for highest three paid years for benefit computation purposes and current salary for contribution purposes, Red Wing fire department relief association;

~~(5)~~ (6) pay of the highest grade full-time firefighter, St. Louis Park fire department relief association;

~~(6)~~ (7) maximum monthly pay of a patrol officer, St. Paul police relief association;

(7) (8) prevailing base pay of rank held at retirement for benefit computation purposes and current salary for contribution purposes, South St. Paul police relief association; and

(8) (9) prevailing pay for rank held for at least six months before retirement for benefit computation purposes and current salary for contribution purposes, Virginia police relief association.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective on the effective date of article 1, section 1.*"

Amend the title as follows:

Page 1, line 6, after "amending" insert "Minnesota Statutes 1992, section 353B.02, subdivision 10; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 937: A bill for an act relating to retirement; benefit computation for members of the Bloomington police relief association.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"ARTICLE 1

BLOOMINGTON POLICE BENEFIT COMPUTATION CHANGES"

Page 1, line 12, delete "performs" and insert "has performed"

Page 1, line 13, delete everything after the comma and insert "and who terminated active service as a Bloomington police officer before January 31, 1994"

Page 1, line 14, delete "from duty"

Page 1, line 15, before "pension" insert "service" and delete "37" and insert "38" and delete "1-1/4" and insert "one"

Page 1, line 16, delete "units" and insert "unit" and after "years" insert " , but not to exceed 45 units, except for members who retire after January 31, 1994, who must be paid monthly during the retiring members' lifetime a pension equal to 35 units, plus an additional one unit for each year of service in excess of 20 years, but not to exceed 42 units"

Page 1, line 17, delete "performs" and insert "performed"

Page 1, line 18, delete "retires" and insert "retired"

Page 1, line 22, delete "37" and insert "38" and delete "1-1/4 units" and insert "one unit"

Page 1, line 23, after "years" insert " , but not to exceed 42 units, except for members who retire after January 1, 1994, before attaining the age of 50

*years, who must be paid monthly during the retiring member's lifetime a pension equal to 35 units plus an additional one unit for each year of service in excess of 20 years"*

Page 2, line 8, delete "18" and insert "20-1/2"

Page 2, line 12, after "years" insert "or the age of 22 years if the surviving child is a full-time student"

Page 2, line 30, delete "4" and insert "3"

Page 2, line 36, delete everything after the period

Page 3, delete lines 1 and 2 and insert:

## "ARTICLE 2

### CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 353B.07, subdivision 3, is amended to read:

Subd. 3. [FORMULA PERCENTAGE RATE.] (a) The formula percentage rate shall be 2.333 percent per year of allowable service for each of the first 20 years of allowable service, 1.333 percent per year of allowable service for each year of allowable service in excess of 20 years but not in excess of 27 years, and .5 percent for each year of allowable service in excess of 25 years for the former members of the following consolidating relief associations:

- (1) Rochester fire department relief association;
- (2) Rochester police relief association;
- (3) St. Cloud fire department relief association;
- (4) St. Cloud police relief association;
- (5) St. Louis Park police relief association; and
- (6) Winona police relief association.

(b) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service for the former members of the following consolidating relief associations:

- (1) Albert Lea police relief association;
- (2) Anoka police relief association;
- (3) Faribault fire department relief association;
- (4) Faribault police benefit association;
- (5) Mankato police benefit association;
- (6) Red Wing police relief association; and
- (7) West St. Paul police relief association.

(c) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service and .5 percent per year of allowable service for each year of service in excess of 25 years of

allowable service for the former members of the following consolidating relief associations:

- (1) Austin firefighters relief association;
- (2) Austin police relief association;
- (3) South St. Paul firefighters relief association;
- (4) South St. Paul police relief association; and
- (5) Virginia police relief association.

(d) The formula percentage rate shall be 2.1875 percent per year of allowable service for each of the first 20 years of allowable service and 1.25 percent per year of allowable service for each year of allowable service in excess of 20 years of allowable service but not in excess of 27 years of allowable service for the former members of the following consolidating relief associations:

- ~~(1) Bloomington police relief associations; and~~
- ~~(2) Columbia Heights police relief association.~~

(e) The formula percentage rate shall be 2.65 percent per year of allowable service for each of the first 20 years of allowable service and an additional annual benefit of \$120 per year of allowable service in excess of 20 years of allowable service but not in excess of 25 years of allowable service for the former members of the following consolidating relief associations:

- (1) Hibbing firefighters relief association; and
- (2) Hibbing police relief association.

(f) The formula percentage rate or rates shall be the following for the former members of the consolidating relief associations as indicated:

(1) 2.5 percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Albert Lea firefighters relief association;

(2) 2.5333 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of allowable service, but not in excess of 27 years of allowable service, if service as an active member terminated before January 31, 1994, and 2.3333 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service for each year of allowable service in excess of 20 years of allowable service, but not in excess of 27 years of allowable service if service as an active member terminated on or after January 31, 1994, Bloomington police relief association;

(3) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to top grade patrol officer's salary base, Brainerd police relief association;

(3) (4) 4.25 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$10 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Buhl police relief association;

(4) (5) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Chisholm firefighters relief association;

(5) (6) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years of allowable service, Chisholm police relief association;

(6) (7) 2.1875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and 1.75 percent per year of allowable service in excess of 25 years of allowable service, Columbia Heights fire department relief association, paid division;

(7) (8) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and 1.5 percent per year of allowable service rendered after attaining the age of 60 years, Crookston fire department relief association;

(8) (9) 2.5 percent per year of allowable service for each year of the first 30 years of allowable service, Crookston police relief association;

(9) (10) 2.25 percent per year of allowable service for each year of the first 20 years of allowable service and 1.25 percent per year of allowable service in excess of 20 years of allowable service, but not more than 27 years of service, Crystal police relief association;

(10) (11) 1.99063 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth firefighters relief association;

(11) (12) 1.9875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth police relief association;

(12) (13) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service, and two percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and not to include any year of allowable service rendered after attaining the age of 55 years, Fairmont police benefit association;

(13) (14) two percent per year of allowable service for each year of the first ten years of allowable service, 2.67 percent per year of allowable service in excess of ten years of allowable service but not more than 20 years of allowable service and 1.3333 percent per year of allowable service in excess

of 20 years of service but not more than 27 years of allowable service, Fridley police pension association;

(14) (15) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and an additional annual amount of \$30 per year of allowable service in excess of 20 years of allowable service but not more than 30 years of allowable service, Mankato fire department relief association;

(15) (16) 2.0625 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service and five percent for the 25th year of allowable service, Minneapolis fire department relief association;

(16) (17) 2.125 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service, and five percent for the 25th year of allowable service, Minneapolis police relief association;

(17) (18) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to highest patrol officer's salary base plus .5 percent of the final salary base per year of allowable service for each of the first three years of allowable service in excess of 20 years of allowable service, New Ulm police relief association;

(18) (19) two percent per year of allowable service for each of the first 25 years of allowable service and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Red Wing fire department relief association;

(19) (20) 2.55 percent per year of allowable service for each of the first 20 years of allowable service, Richfield fire department relief association;

(20) (21) 2.4 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of allowable service but not more than 27 years of allowable service, Richfield police relief association;

(21) (22) for a former member with less than 20 years of allowable service on June 16, 1985, 2.6 percent, and for a former member with 20 or more years of allowable service on June 16, 1985, 2.6175 percent for each of the first 20 years of allowable service and, for each former member, one percent for each year of allowable service in excess of 20 years, but no more than 30 years, St. Louis Park fire department relief association;

(22) (23) 1.9375 percent per year of allowable service for each of the first 20 years of allowable service, 2.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and .5 percent per year of allowable service in excess of 25 years of allowable service, St. Paul fire department relief association;

(23) (24) two percent per year of allowable service for each of the first 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years of allowable service, St. Paul police relief association;

~~(24)~~ (25) 2.25 percent per year of allowable service for each of the first 20 years of allowable service and one percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years, Virginia fire department relief association;

~~(25)~~ (26) two percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years but not more than 24 years of allowable service, three percent for the 25th year of allowable service and one percent per year of allowable service in excess of 25 years of allowable service but not more than 30 years of allowable service, West St. Paul firefighters relief association; and

~~(26)~~ (27) 2.333 percent for each of the first 20 years of allowable service, 1.333 percent for each year of allowable service in excess of 20 years but no more than 28 years, and .5 percent for each year of allowable service in excess of 25 years, Winona fire department relief association.

Sec. 2. Minnesota Statutes 1992, section 353B.11, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY; SURVIVING CHILD BENEFIT.] (a) Except as specified in paragraph (b), (c), (d), (e), (f), or (g), the person who survives a deceased active, deferred, or retired member, who is the child of the deceased member and who is younger than age 18 at the time of the death of the deceased member shall be entitled to receive a surviving child benefit.

(b) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member, and who is younger than age 18 if the person is not a full-time student or age 22 if the person is a full-time student shall be entitled to receive a surviving child benefit in the case of former members of the following consolidating relief associations:

- (1) *Bloomington police relief association;*
- (2) *Buhl police relief association;*
- ~~(2)~~ (3) *Columbia Heights fire department relief association, paid division;*
- ~~(3)~~ (4) *Duluth firefighters relief association;*
- (4) (5) *Duluth police pension association;*
- ~~(5)~~ (6) *Minneapolis fire department relief association;*
- ~~(6)~~ (7) *Minneapolis police relief association; and*
- ~~(7)~~ (8) *St. Paul fire department relief association.*

(c) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member and who is younger than age 16 shall be entitled to receive a surviving child benefit in the case of former members of the following consolidating relief associations:

- (1) *Chisholm police relief association; and*
- (2) *Hibbing police relief association.*

(d) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member and who is younger than



age 19 shall be entitled to receive a surviving child benefit in the case of former members of the Albert Lea firefighters relief association.

(e) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member and who is younger than age 18 if the person is not a full-time student or age 21 if the person is a full-time student shall be entitled to receive a surviving child benefit in the case of former members of the Crookston police relief association.

(f) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member, who was dependent on the deceased member and who is younger than age 18 shall be entitled to receive a surviving child benefit in the case of former members of the Red Wing police relief association.

(g) The person who survives a deceased active, deferred, or retired member, who is the child of the deceased member and who is younger than age 18 if the person is not a full-time student or age 23 if the person is a full-time student shall be entitled to receive a surviving child benefit in the case of former members of the St. Paul police relief association.

Sec. 3. Minnesota Statutes 1992, section 353B.11, subdivision 3, is amended to read:

Subd. 3. [AMOUNT; SURVIVING SPOUSE BENEFIT.] (a) The surviving spouse benefit shall be 30 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;
- (2) Albert Lea police relief association;
- (3) Anoka police relief association;
- (4) Austin firefighters relief association;
- (5) Austin police relief association;
- (6) Brainerd police benefit association;
- (7) Crookston police relief association;
- (8) Faribault fire department relief association; and
- (9) West St. Paul firefighters relief association.

(b) The surviving spouse benefit shall be 25 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Chisholm police relief association;
- (2) Duluth firefighters relief association;
- (3) Duluth police pension association;
- (4) Fairmont police benefit association;
- (5) Red Wing fire department relief association;
- (6) South St. Paul police relief association; and
- (7) West St. Paul police relief association.

(c) The surviving spouse benefit shall be 24 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Fridley police pension association;
- (2) Richfield police relief association;
- (3) Rochester fire department relief association;
- (4) Rochester police relief association;
- (5) Winona fire department relief association; and
- (6) Winona police relief association.

(d) The surviving spouse benefit shall be 40 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Columbia Heights fire department relief association, paid division;
- (2) New Ulm police relief association; and
- (3) Richfield fire department relief association.

(e) The surviving spouse benefit shall be \$250 per month for the former members of the following consolidating relief associations:

- (1) Hibbing firefighters relief association; and
- (2) Hibbing police relief association.

(f) The surviving spouse benefit shall be 23.75 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Crystal police relief associations; and
- (2) Minneapolis police relief association.

(g) The surviving spouse benefit shall be 32 percent of the salary base for the former members of the following consolidating relief associations:

- (1) St. Cloud fire department relief association; and
- (2) St. Cloud police relief association.

(h) The surviving spouse benefit shall be one-half of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the greater of the allowable service credit of the person as of the date of death or 20 years of allowable service credit if the person would have been eligible as of the date of death, for the former members of the following consolidating relief associations:

- (1) Virginia fire department relief association; and
- (2) Virginia police relief association.

(i) The surviving spouse benefit shall be the following for the former members of the consolidating relief associations as indicated:

- (1) ~~25.625~~ 27.333 percent of the salary base, or one half of the service

*pension payable to or accrued by the deceased former member, whichever is greater, Bloomington police relief association;*

(2) 72.25 percent of the salary base, Buhl police relief association;

(3) 50 percent of the service pension which the active member would have received based on allowable service credit to the date of death and prospective service from the date of death until the date on which the person would have attained the normal retirement age, 50 percent of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or \$175 per month if the deceased member was receiving a service pension or disability benefit as of the date of death, Chisholm firefighters relief association;

(4) two-thirds of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the greater of the allowable service credit of the person as of the date of death or 20 years of allowable service credit if the person would have been eligible as of the date of death, Columbia Heights police relief association;

(5) the greater of \$300 per month or one-half of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the allowable service credit of the person as of the date of death if the person would have been eligible as of the date of death, Crookston fire department relief association;

(6) \$100 per month, Faribault police benefit association;

(7) 60 percent of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the allowable service credit of the person as of the date of death if the person would have been eligible as of the date of death, Mankato fire department relief association;

(8) \$175 per month, Mankato police benefit association;

(9) 26.25 percent of the salary base, Minneapolis fire department relief association;

(10) equal to the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the allowable service credit of the person as of the date of death if the person would have been eligible as of the date of death, Red Wing police relief association;

(11) 40 percent of the salary base for a surviving spouse of a deceased active member, disabled member, or retired or deferred member with at least 20 years of allowable service, or the prorated portion of 40 percent of the

salary base that bears the same relationship to 40 percent that the deceased member's years of allowable service bear to 20 years of allowable service for the surviving spouse of a deceased retired or deferred member with at least ten but less than 20 years of allowable service, St. Louis Park fire department relief association;

(12) 26.6667 percent of the salary base, St. Louis Park police relief association;

(13) 27.5 percent of the salary base, St. Paul fire department relief association;

(14) 20 percent of the salary base, St. Paul police relief association; and

(15) 27 percent of the salary base, South St. Paul firefighters relief association.

Sec. 4. Minnesota Statutes 1992, section 353B.11, subdivision 5, is amended to read:

Subd. 5. [SURVIVOR BENEFIT MAXIMUM.] (a) No surviving children or surviving family maximum shall be applicable to former members of the following consolidating relief associations:

- (1) Buhl police relief association;
- (2) Chisholm firefighters relief association;
- (3) Chisholm police relief association;
- (4) Hibbing firefighters relief association;
- (5) Mankato police benefit association;
- (6) New Ulm police relief association;
- (7) Red Wing fire department relief association;
- (8) Red Wing police relief association;
- (9) St. Paul police relief association; and
- (10) South St. Paul police relief association.

(b) The surviving children maximum shall be 24 percent of the salary base, if a surviving spouse benefit is also payable or 48 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Fridley police pension association;
- (2) Richfield police relief association;
- (3) Rochester fire department relief association;
- (4) Rochester police relief association;
- (5) Winona fire department relief association; and
- (6) Winona police relief association.

(c) The surviving family maximum shall be 50 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Anoka police relief association;
- (2) Austin firefighters relief association;
- (3) Austin police relief association;
- (4) Duluth firefighters relief association;
- (5) Richfield fire department relief association; and
- (6) St. Louis Park fire department relief association.

(d) The surviving family maximum shall be an amount equal to the service pension which a retiring member would have received based on 20 years of allowable service credit if the member had attained the age of at least 50 years in the case of an active member, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death in the case of a deferred member, or of the service pension or disability benefit which the deceased member was receiving as of the date of death, for the former members of the following consolidating relief associations:

- (1) Columbia Heights police relief association;
- (2) Virginia fire department relief association; and
- (3) Virginia police relief association.

(e) The surviving children maximum shall be 25 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Duluth police pension association; and
- (2) Fairmont police benefit association.

(f) The surviving children maximum shall be 22.5 percent of the salary base, if a surviving spouse benefit is also payable or 45 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Bloomington police relief association; and
- (2) Crystal police relief association.

(g) The surviving children maximum shall be 16 percent of the salary base, if a surviving spouse benefit is also payable or 48 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) St. Cloud fire department relief association; and
- (2) St. Cloud police relief association.

(h) The surviving children maximum shall be 20 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;
- (2) Albert Lea police relief association; and

(3) Faribault fire department relief association.

(i) The surviving family maximum shall be the following for the former members of the consolidating relief associations:

(1) 60 percent of the salary base, Bloomington police relief association;

(2) \$450 per month, Crookston police relief association;

~~(2)~~ (3) 80 percent of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the greater of the allowable service credit of the person as of the date of death or 20 years of allowable service credit if the person would have been eligible as of the date of death, Mankato fire department relief association; and

~~(3)~~ (4) 57.5 percent of the salary base, St. Paul fire department relief association.

(j) The surviving child maximum shall be the following for the former members of the consolidating relief associations:

(1) 20 percent of the top salary payable to a patrol officer, Brainerd police benefit association;

(2) ten percent of the salary base, if a surviving spouse benefit is also payable or 15 percent of the salary base, if no surviving spouse benefit is also payable, Columbia Heights fire department relief association, paid division;

(3) \$105 per month if a surviving spouse benefit is also payable or \$90 per month if no surviving spouse benefit is also payable, Crookston fire department relief association;

(4) \$125 per month, Faribault police benefit association;

(5) \$30 per month if a surviving spouse benefit is also payable or \$180 per month if no surviving spouse benefit is also payable, Hibbing police relief association;

(6) 25 percent of the salary base, if a surviving spouse benefit is also payable or 51.25 percent of the salary base, if no surviving spouse benefit is also payable, Minneapolis fire department relief association;

(7) 17.5 percent of the salary base, if a surviving spouse benefit is also payable or 40 percent of the salary base, if no surviving spouse benefit is also payable, Minneapolis police relief association;

(8) 24 percent of the salary base, St. Louis Park police relief association;

(9) 23 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, South St. Paul firefighters relief association;

(10) ten percent of the salary base, West St. Paul firefighters relief association; and

(11) \$30 per month if a surviving spouse benefit is also payable or \$75 per month if no surviving spouse benefit is also payable, West St. Paul police relief association.

Sec. 5. Minnesota Statutes 1992, section 353B.11, subdivision 6, is amended to read:

Subd. 6. [DISCONTINUATION; SURVIVING SPOUSE BENEFIT.] (a) Except as specified in paragraph (b) or (c), a surviving spouse benefit shall terminate upon the death or the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit.

(b) A surviving spouse benefit shall terminate upon the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit but shall recommence at the appropriate amount without any retroactive payments in the event of the termination of the subsequent marriage for any reason for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;
- (2) Albert Lea police relief association;
- (3) Duluth firefighters relief association;
- (4) Minneapolis fire department relief association;
- (5) St. Paul fire department relief association; and
- (6) St. Paul police relief association.

(c) A surviving spouse benefit shall terminate only upon the death of the person entitled to receive or receiving a surviving spouse benefit for the former members of the following consolidating relief associations:

- (1) Anoka police relief association;
- (2) *Bloomington police relief association;*
- (3) Buhl police relief association;
- ~~(3)~~ (4) Chisholm fire department relief association;
- ~~(4)~~ (5) Chisholm police relief association;
- ~~(5)~~ (6) Crookston fire department relief association;
- ~~(6)~~ (7) Duluth police relief association;
- ~~(7)~~ (8) Faribault fire department relief association;
- ~~(8)~~ (9) Hibbing firefighters relief association;
- ~~(9)~~ (10) Hibbing police relief association;
- ~~(10)~~ (11) Mankato fire department relief association;
- ~~(11)~~ (12) Red Wing fire department relief association;
- ~~(12)~~ (13) Red Wing police relief association;
- ~~(13)~~ (14) Rochester fire department relief association;
- ~~(14)~~ (15) Rochester police relief association;
- ~~(15)~~ (16) St. Cloud fire department relief association;
- ~~(16)~~ (17) St. Louis Park fire department relief association;

- (17) (18) St. Louis Park police relief association;  
 (18) (19) South St. Paul firefighters relief association;  
 (19) (20) South St. Paul police relief association;  
 (20) (21) West St. Paul firefighters relief association;  
 (21) (22) Winona fire department relief association; and  
 (22) (23) Winona police relief association.

Sec. 6. [EFFECTIVE DATE.]

*Sections 1 to 5 are effective upon the effective date of article 1, section 3."*

Amend the title as follows

Page 1, line 3, before the period, insert “; amending Minnesota Statutes 1992, sections 353B.07, subdivision 3; and 353B.11, subdivisions 2, 3, 5, and 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 referred

H.F. No. 661: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 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 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 8a. [DAIRY TRADE PRACTICES.] Certain information obtained by the commissioner of agriculture on dairy marketers or retailers is classified in section 9.*

Sec. 2. Minnesota Statutes 1992, section 32A.01, is amended to read:

32A.01 [CITATION; DAIRY INDUSTRY UNFAIR TRADE PRACTICES ACT.]

~~Sections 32A.01 to 32A.09 shall~~ *This chapter may be known cited as the “dairy industry unfair trade practices act.”*

Sec. 3. [32A.031] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to this chapter.*

*Subd. 2. [BASIC COST.] “Basic cost” for a processor means the actual*



cost of processing, handling, and distributing a selected dairy product. "Basic cost" for a wholesaler or retailer means the net invoice cost of selected dairy products to the dairy marketer or retailer reflecting any discounts or rebates granted by the supplier without deducting cash discounts for timely payment plus any excise or sales tax imposed on the selected dairy products.

Subd. 3. [BONA FIDE CHARITY.] "Bona fide charity" means a corporation, trust, fund, or foundation organized and operated exclusively for religious, charitable, scientific, literary, or education purposes.

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture or a designated employee or authorized agent of the commissioner.

Subd. 5. [COMMODITY.] "Commodity" means a selected dairy product for use, consumption, or resale, in which a unit is identical in form, function, and content within each unit and among all units involved.

Subd. 6. [DAIRY MARKETER.] "Dairy marketer" means a processor, distributor, or wholesaler, including the officers, directors, stockholders, employees, partners, or agents thereof, and includes subsidiaries, affiliated corporations, and related corporations. A dairy marketer engaging in both retail sales and wholesale sales shall comply with the provisions of this chapter applicable to each class of sales.

Subd. 7. [DAIRY WHOLESALER PERMIT.] "Dairy wholesaler permit" means a permit issued by the commissioner to a dairy marketer under section 6.

Subd. 8. [DELIVERY DISCOUNT.] "Delivery discount" means a discount based on actual cost savings resulting from the differing methods in which selected dairy products are delivered to a specific location.

Subd. 9. [DEPARTMENT.] "Department" means the Minnesota department of agriculture.

Subd. 10. [DISTRIBUTOR.] "Distributor" means a person doing business in Minnesota including a jobber or other similar marketing operation engaged in selling at wholesale to a retailer a selected dairy product manufactured or processed by the distributor or jobber, by a processor, or by another distributor or jobber.

Subd. 11. [FEDERAL MILK MARKETING ORDER.] "Federal milk marketing order" means the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part 1068, or successor order.

Subd. 12. [HANDLING.] "Handling" means the activities of a processor, wholesaler, or distributor in bottling, processing, packaging, or manufacturing selected dairy products, or in purchasing processed or manufactured selected dairy products for resale to another processor, wholesaler, distributor, or retailer.

Subd. 13. [MARKET.] "Market" means a relevant section of a municipality, county, or larger region in Minnesota, or two or more of those regions or parts of regions.

Subd. 14. [NONSTANDARD DAIRY PRODUCTS.] "Nonstandard dairy products" means a dairy product manufactured for human consumption for

which no federal or state composition standard or standard of identity has been established.

Subd. 15. [PROCESSOR.] "Processor" means a person doing business in Minnesota engaged in manufacturing or processing a selected dairy product in the person's own plant for sale in Minnesota.

Subd. 16. [PRODUCER.] "Producer" means a person who operates a dairy herd or herds in Minnesota producing milk or cream commercially and whose milk or cream is sold to, or received or handled by, a distributor or processor. "Producer" does not include any incorporated or unincorporated association of producers.

Subd. 17. [RELATED CORPORATION.] "Related corporation" of a dairy marketer includes, but is not limited to, a parent or subsidiary corporation of a dairy marketer, or another subsidiary of a parent corporation of a dairy marketer; including officers, directors, stockholders, employees, partners, agents, or representatives.

Subd. 18. [RETAIL COST.] "Retail cost" means the basic cost of selected dairy products purchased by a retailer for the purpose of resale to consumers.

Subd. 19. [RETAIL PRICE.] "Retail price" means the price at which a selected dairy product is purchased for a purpose other than resale or further processing or manufacturing.

Subd. 20. [RETAILER.] "Retailer" means a person in the business of making sales of selected dairy products at retail in Minnesota. In the case of a person in the business of making sales at both retail and wholesale, "retailer" applies only to the sales at retail.

Subd. 21. [SALE OF MERCHANDISE AT RETAIL.] "Sell at retail," "sales at retail," and "retail sales" mean any sale or offer for sale of a selected dairy product for consumption or use other than resale or further processing or manufacturing. Home delivery sales, sales by the use of vending machines, and sales direct to consumers through lease of all or a part of a retailer's premises are sales at retail.

Subd. 22. [SALE OF MERCHANDISE AT WHOLESALE.] "Sell at wholesale," "sale at wholesale," and "wholesale sales" mean sale or offer for sale of a selected dairy product for purposes of resale or further processing or manufacturing. A delivery of selected dairy products to a retailer in Minnesota is a sale at wholesale if an assessment required under section 32A.071 has not been paid.

Subd. 23. [SELECTED DAIRY PRODUCTS.] "Selected dairy products" means milk for human consumption in fluid form, "fluid milk products" as defined in section 32.391, cottage cheese, "frozen foods" as defined in section 32.55, subdivision 2, "mix" as defined in section 32.55, subdivision 4, and class I milk products and class II milk products as defined by the federal milk marketing order, and includes all nonstandard dairy products.

Subd. 24. [SUBSIDIARY OR AFFILIATE CORPORATION.] "Subsidiary" or "affiliate corporation" includes, but is not limited to, companies or corporations controlled by a dairy marketer, directly or indirectly, including officers, directors, stockholders, employees, partners, agents, or representatives.

*Subd. 25. [VOLUME DISCOUNT.] "Volume discount" means a discount based on actual cost savings related to the volume or quantity of the type of selected dairy products sold or delivered at a specific location per delivery.*

*Subd. 26. [WHOLESALE COST.] "Wholesale cost" means the basic cost of selected dairy products plus the cost of doing business. In the absence of proof of a different cost, the cost of doing business is presumed to be two percent of the basic cost of the selected dairy product plus freight and fee. In the absence of proof of a different cost, freight and fee is presumed to be two percent of the basic cost of the selected dairy product. The basic cost plus cost of doing business must be stated as a percentage of the wholesale price for the purpose of resale.*

*Subd. 27. [WHOLESALE PRICE.] "Wholesale price" means the price charged by a dairy marketer to a customer for purposes of resale or further processing or manufacture.*

*Subd. 28. [WHOLESALER.] "Wholesaler" means a person with a valid dairy wholesaler permit in the business of making sales of selected dairy products at wholesale in Minnesota. In the case of a person in the business of making sales at both retail and wholesale, "wholesaler" applies only to the sales at wholesale.*

Sec. 4. Minnesota Statutes 1992, section 32A.04, is amended to read:

32A.04 [UNFAIR TRADE PRACTICES.]

Subdivision 1. [RESTRAINT OF TRADE NOT PERMITTED.] No manufacturer, distributor or wholesaler, either directly or indirectly, or through a subsidiary or affiliate corporation, or by an officer, director, stockholder, employee, partner, agent or representative thereof, shall, for the purpose or with the effect of restraining, lessening or destroying competition or injuring one or more competitors or injuring one or more persons dealing in "selected dairy products" or to impair or prevent fair competition in the sale of selected dairy products to retailers in this state; A dairy marketer may not, either directly or indirectly, engage in or threaten to engage in any of the trade practices or methods of doing business described in prohibited by this section if the purpose or effect is restraining, lessening, or destroying competition or injuring, impairing, or preventing fair competition in the sale of selected dairy products in Minnesota. Proof that any a person has engaged in any of the trade practices or methods of doing business described in this section shall be is prima facie evidence of an intent to violate or that it has the effect of violating the provisions of this section.

a. (a) A dairy marketer may not own, control, or have any greater more than a five percent financial interest than five percent in any a retail business selling or offering for sale any a selected dairy product in this state Minnesota unless the business name, address, nature, and extent of ownership or control of such the retail business by such manufacturer, distributor, or wholesaler shall be are prominently displayed at all times at the main public entrance to the premises where such the business is being conducted. The information displayed must be in type not less than 24-point Gothic capitals.

b. (b) A dairy marketer may not purchase any real or personal property from a retailer and leaseback or resell such that property to the retailer under a deferred payment contract except as follows unless there is:

1- (1) a written lease signed by both parties thereto specifying (a) the (i) a rental which shall be value that is consistent with the value of like property in the locality market where the retailer is located at the time when the lease is executed, and (b) (ii) containing other terms and conditions consistent with leases of like property in that locality market made at or about the same time by persons not having the relationship existing between the retailer, as the purchaser, and the lessor, as the seller, of a selected dairy product; or

2- (2) a written contract for the sale of such property signed by both parties thereto specifying (a) the (i) a purchase price which shall be that is consistent with the fair market value of like property in the locality market where the retailer is located at the time when the contract is executed, (b) (ii) the down payment on such the purchase price, (c) (iii) the periodic payments on the unpaid balance thereof of the purchase price, and (d) containing (iv) other terms and conditions consistent with sale contracts of sale of like property in that locality market made at or about the same time by persons not having the relationship existing between the retailer, as the purchaser, and the vendor, as the seller, of a selected dairy product.

No contract or agreement for the leaseback or resale to a retailer of any property purchased from such the retailer by the wholesaler, manufacturer or distributor shall contain any requirement dairy marketer may require that the retailer shall must purchase any selected dairy product from the other party to the contract for sale or the lease, or from any manufacturer, wholesaler or distributor a specified dairy marketer.

e- (c) A dairy marketer may not give, lend, or advance any money, credit, or other thing anything of value to a retailer or to any a person for the benefit or relief of a retailer; or: A dairy marketer may not furnish, give, lend, lease, or sell to a retailer any furniture, fixtures, fittings, or equipment, as an incentive or inducement to such for the retailer to purchase, handle, store, display, sell, or trade in; any one or more selected dairy products of any manufacturer, wholesaler, or distributor. Nothing herein shall prevent any sale of furniture, trade fixtures, or equipment to a retailer in accordance with section 32A-07, subdivision 1 (a) or the placing of refrigeration facilities on the premises of a retailer in accordance with section 32A-08, subdivision 2 a dairy marketer, except as permitted by this chapter.

e- (d) A dairy marketer may not (1) provide, pay for, guarantee, or in any other manner, directly or indirectly, assume, satisfy, or discharge the cost or obligation of a retailer for painting, decorating, improving, repairing, or rebuilding any an existing billboard, outdoor sign, display area, wall, fence, building, or structure, or any other type of outdoor display advertising having a fixed location; or (2) build, construct, erect, or purchase any a new billboard, outdoor sign, or other outdoor display advertising having a fixed location, or any a structure or facility for use as an outdoor display to advertise for the direct benefit of a retailer except that if no reference is made to any retailer, a manufacturer, wholesaler, or distributor may engage in all forms of outdoor advertising to advertise one or more selected dairy products which that person manufactures, processes or distributes.

e- (e) A dairy marketer may not (1) have any an interest in or pay for any license for a retailer; or (2) advance, furnish, lend, or give money for the payment of any a license fee or expense related to obtaining a license for a retailer or any expense incident to the obtaining of any such license, except that a manufacturer, wholesaler, or distributor may purchase in that person's

own name any license required by law for the sale of that person's selected dairy products in this state or any municipality therein.

f. Become bound in any manner (f) A dairy marketer may not assume an obligation for the repayment of any a loan of money or the fulfillment of any a retailer's financial obligation of any retailer.

g. Extend or give any additional credit to a retailer at a time when there has been due from such retailer for more than 15 days from the end of the month of the day in which delivery was made, any indebtedness arising out of the delivery to the retailer of selected dairy products. (g) A dairy marketer may not offer, extend, or grant credit to another dairy marketer or a retailer if a debt attributable to the delivery of selected dairy products remains due. Extension of credit given by a dairy marketer must be paid monthly within 30 days following the delivery of selected dairy products to which credit applies.

h. (h) A dairy marketer may not furnish and maintain inside signs of a permanent nature unless such the signs are used only for advertising or promoting (1) one or more selected dairy products manufactured, distributed, or sold by the person furnishing such the sign, or (2) items of food made principally from a the selected dairy product so advertised or the brand name of the selected dairy product so advertised, or any combination thereof. The furnishing of "point of sale" advertising material made of paper or other like materials to a retailer free of charge for the sole purpose of promoting the sale of a selected dairy product of the person furnishing the same shall not constitute a violation of sections 32A.01 to 32A.09 A dairy marketer may furnish "point of sale" advertising material made of paper or other like material to a retailer without charge only to promote the sale of a selected dairy product of the person furnishing the material.

i. (i) A dairy marketer may not furnish, give, lend, finance, pay for, contribute to, or by any other means, scheme or device, participate in cooperative advertising using newspapers, radio, television, or any other advertising media medium if any a retailer selling, handling, or offering for sale any a selected dairy product of such manufacturer, wholesaler or distributor the dairy marketer is named or otherwise identified or referred to in such that advertising, except that a manufacturer, wholesaler or distributor. A dairy marketer may purchase and pay for such lineage the lines or space actually used in advertising one or more of that person's its selected dairy products in a newspaper advertisement, handbill, or other form of printed advertising put out by a retailer or for the time actually so used in any a radio or television program advertisement sponsored by a retailer for purposes of promoting the sale of a selected dairy product.

j. (j) A dairy marketer may not pay, loan, or give money, credit, compensation, or anything of value to a retailer (1) for the privilege of placing a sign, advertisement, or other sales promotion material in or upon on the premises of the retailer; or (2) for storing, advertising, or displaying any a selected dairy product in connection with its sale or promotion (except that a manufacturer, wholesaler or distributor. A dairy marketer may furnish paint and maintain an insulated truck body used exclusively in the sale and delivery of that person's the marketer's selected dairy products by the person making retail sales thereof).

k. No wholesaler, manufacturer, or distributor shall (k) A dairy marketer may not credit to the account of or pay any a retailer for any a selected dairy product which the retailer claims to have become stale, spoiled, or otherwise

unsalable unless the particular product for which such the credit or payment is sought is in fact spoiled or otherwise unsalable.

l. In connection with any sale to a distributor or retailer in this state of a selected dairy product, (1) A dairy marketer may not make or offer to make any gift of money, merchandise, trading stamps, coupons, service, supplies, or anything of value, except to a bona fide charity, or to grant or offer to grant any rebate, discount, or advertising allowance other than as expressly permitted by sections 32A.01 to 32A.09 in connection with any sale of a selected dairy product to another dairy marketer or retailer in Minnesota, except as permitted in this chapter.

m. (m) A dairy marketer may not charge a combined price for any a selected dairy product together with and another commodity or a service which is less or is represented to be less than the aggregate of the price of the particular selected dairy product and the price or value of such the other commodity or service when sold or offered for sale separately, or from otherwise applying or attempting to apply any method or device in the sale or distribution of a selected dairy product intending to defeat the policy of sections 32A.01 to 32A.09 or to defeat or evade any provision of sections 32A.01 to 32A.09 or any order, ruling or rule issued by the commissioner thereunder.

n. (n) A dairy marketer may not engage in the business of a processor, wholesaler, manufacturer, or distributor selling or offering for sale selected dairy products at wholesale to retailers while at the same time being engaged in the business of hauling, handling, or delivering selected dairy products to a retailer for a fee, for that or another wholesaler, manufacturer, or distributor, where said business results in a sale of a "selected dairy product" at wholesale to a retailer at a price lower than said retailer could legally obtain from the wholesaler, manufacturer or retailer first involved which results in a sale of a selected dairy product at wholesale to a retailer at a price lower than the regular delivered wholesale price.

o. The provisions of (o) Section 325D.04, shall apply to and include a manufacturer of any selected dairy product. No manufacturer, wholesaler, distributor or retailer of a selected dairy product engaged in business within this state shall sell, applies to a dairy marketer. A dairy marketer may not: (i) offer for sale or, advertise for sale any, or sell a selected dairy product below "cost" as that term is defined in section 325D.01; or give; (ii) offer to give, or advertise the intent to, or give away any a selected dairy product for the purpose or with the effect of violating this chapter or sections 32A.04, 32A.07, 325D.03, 325D.04, and 325D.06. This section does not apply to a sale complying with section 325D.06, clauses (1) to (4). The prima facie rule of evidence provisions of this section and section 325D.06 shall apply to any such a violation. And it is the legislative intent that the provisions for relief set forth in section 32A.09 shall apply to any legal action under this paragraph.

(p) A dairy marketer or retailer may not apply or attempt any method or device in the sale or distribution of a selected dairy product intended to defeat the policy of this chapter or to defeat or evade this chapter or an order, ruling, or rule adopted by the commissioner.

Subd. 2. [BUYER LIABILITY.] It shall be unlawful and is an unfair trade practice in violation of the dairy industry unfair trade practices act this chapter for any person, while doing business in this state in the course of such business Minnesota, knowingly to induce an act or knowingly to receive a

discrimination or benefit from an act prohibited by the dairy industry unfair trade practices act this chapter.

*Subd. 3. [PROHIBITION OF SPECIAL PRICES OR SERVICES.] A dairy marketer may not offer, either directly or indirectly, special prices or services not offered to all persons in the same market purchasing selected dairy products in the same quantity and under the same terms and conditions for the purpose or with the effect of restraining, lessening, or destroying competition or to injure, impair, or prevent fair competition.*

*Subd. 4. [SALES BELOW RETAIL COST PROHIBITED; EXCEPTION.] A retailer may not sell or offer for sale a selected dairy product at a retail price lower than the retail cost paid. A retailer may not use any method or device in the sale or offer for sale of a selected dairy product which results in a violation of this section. This prohibition does not apply to a sale complying with section 325D.06, clauses (1) to (4). This restriction does not apply to giving away selected dairy products free provided that such offer does not require a purchase by the customer.*

Sec. 5. Minnesota Statutes 1992, section 32A.05, is amended by adding a subdivision to read:

*Subd. 2a. [INVESTIGATIVE POWERS.] The commissioner may:*

*(1) enter at all reasonable hours any place where a selected dairy product is being processed, bottled, stored, kept, or sold, or where the books, papers, records, or documents pertaining to any transaction that relates to any selected dairy product are kept;*

*(2) only inspect, audit, and make copies of books, papers, records, accounts, or other documents that are necessary to determine compliance with this chapter; and*

*(3) sign subpoenas, administer oaths and affirmations, examine witnesses, and receive evidence.*

Sec. 6. Minnesota Statutes 1992, section 32A.05, is amended by adding a subdivision to read:

*Subd. 2b. [DAIRY WHOLESALER PERMIT; APPLICATION; FEE.] Upon the filing of a properly completed application form and the payment of an annual \$40 permit fee, the commissioner shall issue to a dairy marketer who sells selected dairy products at wholesale in Minnesota a dairy wholesaler permit.*

Sec. 7. Minnesota Statutes 1992, section 32A.05, subdivision 4, is amended to read:

*Subd. 4. [FILING REQUIREMENTS; FORMS; FEE; MAXIMUM FEE.] For the purpose of administering and enforcing the provisions of sections 32A.01 to 32A.09, each first manufacturer subject to sections 32A.01 to 32A.09 The dairy marketer that makes the first sale of selected dairy products at wholesale in Minnesota shall file a fee report and pay to the commissioner a fee of. The filing of a fee report shall be on a form and in a manner prescribed by the commissioner.*

*The commissioner shall establish the fees for administering and enforcing this chapter. The maximum fees are:*

(1) one cent per cwt. hundred pounds on all milk processed or used in the manufacture of a selected dairy product sold in this state or manufactured in this state for sale therein except frozen foods on which the fee shall be Minnesota, except an item listed in clause (2) or (3);

(2) three-quarters of a cent on each per gallon of frozen foods sold in this state or manufactured in this state for sale therein. For ice milk mix the fee shall be 1-1/20 of a cent on each gallon of mix. For ice cream mix the fee shall be Minnesota;

(3) 1-17/40 of a cent on each per gallon of mix sold in Minnesota.

Such fees shall be the maximum fees. The commissioner may fix such establish lower fees at a lesser amount and may adjust such fees from time to time whenever the commissioner finds that the cost of administering and enforcing the provisions of sections 32A.01 to 32A.09 can be defrayed with such below this chapter requires less than the maximum fees. The fees thus computed shall be paid by the manufacturer to the commissioner on or before the 15th day of the month following the month in which such frozen foods were sold in this state or a selected dairy product manufactured in this state from such milk was sold therein. Provided, however, that when the amount of the fees so computed does not exceed \$60 annually, these fees shall be paid within 30 days following the end of the calendar year. When fees are under \$240 annually, payment shall be made quarterly within 30 days following the end of the quarter. All fees over \$240 annually shall must be paid monthly within 30 days following the end of the month when due to which the fees apply.

A penalty amounting to 10 of ten percent of the delinquent fees then due shall be imposed by the commissioner for each month for which such fees are delinquent. The amounts so received by the commissioner may be charged for each month for which the fees are delinquent not to exceed a maximum penalty of 100 percent.

Fees and penalties collected under this chapter shall be deposited with the state treasurer and shall constitute a separate account to be known as the "dairy Industry Unfair trade practices account," which is hereby created, set aside, and appropriated as a revolving fund to be used to defray the cost of for administering and enforcing sections 32A.01 to 32A.09 this chapter.

Sec. 8. Minnesota Statutes 1992, section 32A.05, is amended by adding a subdivision to read:

*Subd. 5. [ADDITIONAL INFORMATION.] The commissioner may require additional information from dairy marketers or retailers for the purpose of gathering data relating to the handling, processing, distribution, and selling of selected dairy products within Minnesota.*

Sec. 9. Minnesota Statutes 1992, section 32A.05, is amended by adding a subdivision to read:

*Subd. 6. [DATA PRIVACY.] Financial and production information received by the commissioner from dairy marketers and retailers including, but not limited to, financial statements, fee reports, price schedules, cost documentation, books, papers, records, or other documentation for the purpose of administration and enforcement of this chapter shall be classified private data or nonpublic data pursuant to chapter 13. That classification shall not limit*



*the use of the information in the preparation, institution, or conduct of a legal proceeding by the commissioner in enforcing this chapter.*

**Sec. 10. [32A.055] [DAIRY WHOLESALER PERMIT REQUIRED.]**

*A dairy marketer may not sell selected dairy products at wholesale to a Minnesota wholesaler or retailer unless the dairy marketer has a valid dairy wholesaler permit.*

**Sec. 11. [32A.065] [PRICE SCHEDULES; METHODS OF DELIVERY; MEETING COMPETITION.]**

*Subdivision 1. [PRICE SCHEDULES.] A dairy marketer selling selected dairy products in Minnesota shall maintain a current schedule of prices showing rebates, discounts, refunds, and price differentials for the selected dairy products offered for sale at wholesale by the dairy marketer to retailers or to any other person for sale at wholesale to a retailer.*

*Subd. 2. [PRICING TERMS AND CONDITIONS.] Price schedules setting forth the price of each selected dairy product sold by a dairy marketer must include all terms and conditions which are applicable in determining the net price available to the customer for each product purchased. The terms and conditions must be uniformly available.*

*Subd. 3. [DELIVERY DISCOUNTS.] A dairy marketer may offer to all its customers a discount based upon the method used to deliver selected dairy products to a customer at a specific location. The following types of delivery to a customer are acceptable:*

- (1) delivery at processor's dock;*
- (2) delivery by drop service;*
- (3) delivery by limited service; and*
- (4) delivery by full service.*

*Subd. 4. [VOLUME DISCOUNTS.] A dairy marketer may offer to all its customers a discount based upon the volume of selected dairy products sold per delivery at a specific location. Volume discounts must be available on proportionally equal terms to all customers competing in the distribution of selected dairy products.*

*Subd. 5. [MEETING COMPETITION BY A DAIRY MARKETER.] A sale to meet a current lawful competitive condition or current lawful competitive price, including terms and conditions, by a dairy marketer must not be less than the prices being met, and must be available to all persons in the same market that purchase selected dairy products of like quantity under the same terms and conditions. The burden of proving a good faith sale to meet a current lawful competitive condition or current lawful competitive price is on the dairy marketer.*

*Subd. 6. [REPORT OF DEVIATED SALE.] A dairy marketer making a sale under subdivision 5 shall retain a written report to ensure compliance with this chapter. The report of deviated sale must be in a manner prescribed by the commissioner.*

*Subd. 7. [REVIEW OF DAIRY MARKETER SALES.] All sales, discounts, and pricing terms and conditions and deviated sales under this section are subject to review by the commissioner and subject to cost justification by*

*the seller. Failure to provide documentation for review is prima facie evidence of a violation of this section.*

Sec. 12. Minnesota Statutes 1992, section 32A.07, is amended to read:

**32A.07 [UNFAIR PRACTICES BY WHOLESALERS, MANUFACTURERS OR DISTRIBUTORS DISPLAY AND SALES TYPE EQUIPMENT.]**

*Subdivision 1. [RESTRICTIONS ON SALES TO RETAILERS.] To carry out the purpose of sections 32A.01 to 32A.09 and to restore fair, open and free competition for the trade and custom of the retailers of this state purchasing a selected dairy product for resale in this state, no manufacturer, wholesaler or distributor of selected dairy products doing business in this state shall a dairy marketer may not sell or offer to sell to a retailer in this state purchasing any selected dairy product from such manufacturer, wholesaler or distributor any such furniture, trade fixtures, or equipment except as follows: permitted by this section.*

*Subd. 2. [TIME PAYMENT SALES.] a. No manufacturer, wholesaler or distributor shall (a) A dairy marketer may not sell any kind of furniture, trade fixtures, or equipment at less than the cost thereof to such seller a dairy marketer. Any A sale made by such seller a dairy marketer at less than 15 percent above such seller's the actual current invoice or replacement cost, less depreciation in the case of used furniture, trade fixtures, or equipment computed at the annual rate of 15 percent of the seller's cost, shall be prima facie evidence that such a sale was made below such seller's the dairy marketer's cost.*

*(b) If the full purchase price of any item so furniture, trade fixtures, or equipment sold to the retailer is not paid the seller by the retailer within 40 days from the delivery of the item or items comprising such sale after delivery, the retailer shall pay within said 40 days not less than 10 percent of the purchase price of the items comprising such sale computed as above specified and shall give the seller a conditional sales contract or a promissory note secured by a chattel mortgage specifically describing each item comprising such sale and the seller, within ten days of the execution thereof, shall file such conditional sales contract or chattel mortgage as required by law for a valid enforceable secured debt. Such conditional sales contract or chattel mortgage shall specify must pay at least ten percent of the purchase price within the 40 days and provide the dairy marketer a conditional sales contract or promissory note with a purchase money security interest in the furniture, trade fixtures, or equipment.*

*(c) The conditional sales contract or purchase money security interest must specifically describe each item of the sale. The dairy marketer, within ten days after the contract or security agreement is entered into, must file the conditional sales contract, or purchase money security agreement and financing statement, as required to enforce the purchased money secured debt. The conditional sales contract or purchase money security agreement must specify:*

*(1) the cash payment made by the retailer to the seller or the value of the trade-in accepted by the seller to apply on the purchase price, but such the trade-in credit shall must not exceed the depreciated value of the item or items representing such the trade-in credit as carried on the business records of the purchaser, but or if no such records are not available then, at an annual depreciation rate of 15 percent of the purchaser's cost; and*

(2) that the amount of the unpaid purchase price shall ~~must~~ be paid by the retailer in 60 equal monthly installments with the last such installment of principal and interest maturing not later than 60 months from the execution of the conditional sales contract or chattel mortgage given to the seller by the retailer purchase money security agreement.

(d) The rate of interest on such purchases shall be no less than the low rate on "commercial paper sold through dealers: 30 to 270 days" as published on the day the conditional sales contract or chattel mortgage is signed provided that the rates of interest charged for may not be less than the prevailing market rate, and the rates of interest charged on various sales agreements on any given day shall be the same for all retailers. However, in no case shall the rate exceed the rate permitted in Minnesota Statutes 1974, section 334.01, when applicable.

b. Subd. 3. [SERVICING.] The mechanical, electrical, or other servicing of all items of furniture, trade fixtures, or equipment sold to a retailer by a manufacturer, wholesaler or distributor shall become and remain the sole dairy marketer is the responsibility of the retailer purchasing the same unless at the time of such the sale, the seller dairy marketer and the retailer agree in writing that the seller is to provide such servicing, but such dairy marketer is responsible for the servicing. The contract shall ~~must~~ require the seller dairy marketer to charge the retailer for the servicing of any item at the same price as is charged by third persons rendering such the service in the area or community market where the retailer is located. If any charge for such servicing (including the full cost of all repair and replacement parts) is not paid by the retailer to the seller within 40 days from the performance of the work, such failure shall be a violation of subparagraph (g) of section 32A.04. The charge for the servicing, including the full cost of all repair and replacement parts, must be paid by the retailer to the dairy marketer within 40 days after the performance of the work.

Subd. 4. [PAYMENT FOR SERVICE OR FACILITIES.] A person may not pay or contract for the payment of anything of value to or for the benefit of a customer as compensation or in consideration for any services or facilities furnished by or through the customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold or offered for sale by the person, unless the payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of the products or commodities.

Sec. 13. Minnesota Statutes 1992, section 32A.071, is amended to read:

32A:071 [CLASS I MILK PRICE ASSESSMENT AT WHOLESALE.]

Subdivision 1. [PURPOSE.] It is the intent of the legislature that establishing an over-order premium milk price will benefit the incomes of all Minnesota dairy farmers and improve the economies in rural communities.

Subd. 2. [MINIMUM CLASS I MILK PRICE.] The minimum price for class I milk as defined by the Upper Midwest federal milk marketing order, Code of Federal Regulations, title 7, part 1068, for milk purchased in Minnesota for class I use shall be not less than \$13.20 per hundredweight. Any amount by which this price exceeds the class I price specified in the applicable milk marketing order shall be paid by processors of class I milk directly to their suppliers of grade A milk or to the agents of the suppliers.

Suppliers or agents shall pass the entire over-order premium payment on to the dairy producers.

*Subd. 2a. [ASSESSMENT FORMULA.] The commissioner shall assess the dairy marketer that makes the first sale of selected dairy products at wholesale for ultimate retail sale in Minnesota an amount determined as follows:*

*(a) For each hundred pounds of milk used in the manufacture of a selected dairy product sold at wholesale for ultimate retail sale in Minnesota, except an item listed in paragraph (b), the assessment is \$0.02 for each cent the announced price for class I milk as defined by the federal milk marketing order per hundred pounds falls below \$13.20.*

*(b) For each gallon of frozen foods, including mix, sold at wholesale for ultimate retail sale in Minnesota, the assessment is \$0.0008 for each cent the announced price for class I milk as defined in the federal milk marketing order per hundred pounds falls below \$13.20.*

*Subd. 2b. [EXEMPTION.] A processor that operates retail home delivery sales accounting for 50 percent or more of all sales of selected dairy products is exempt from the assessments under this section.*

*Subd. 3. [RULES.] The commissioner of agriculture shall adopt emergency and permanent rules to implement subdivision 2 this section in a manner that minimizes disruption to existing trade practices and commercial transactions, including pooling of the over-order premium payments among grade A milk all producers.*

*Subd. 4. [REPORT.] Not later than March 1 of 1993 and each year thereafter, the commissioner of agriculture shall report to the chairs of the committees in the senate agriculture and rural development committee and the house of representatives dealing with agriculture committee issues on the impacts and benefits to dairy farmers of the minimum class I milk price established under subdivision 2 this section. The report must also include a summary of processor and distributor information the commissioner has analyzed to determine compliance with sections 32A.04 to 32A.09 this chapter.*

Sec. 14. Minnesota Statutes 1992, section 32A.08, is amended to read:

**32A.08 [CERTAIN ACTS OF WHOLESALERS, MANUFACTURERS OR DISTRIBUTORS FORBIDDEN REFRIGERATION AND STORAGE EQUIPMENT.]**

**Subdivision 1. [RESTRICTIONS ON EQUIPMENT USE.] To carry out the purpose of sections 32A.01 to 32A.09 and to restore free, open and fair competition among wholesalers, manufacturers and distributors for the trade and custom of retailers in this state purchasing one or more selected dairy products at wholesale for resale to the consumer, and to eliminate trade practices that have the effect of restraining or destroying free competition in the sale of selected dairy products to such retailers:**

**If, at the time of the enactment of sections 32A.01 to 32A.09, a manufacturer, wholesaler or distributor of selected dairy products is furnishing a retailer free of charge or contrary to subparagraph (e) of subdivision 1 of section 32A.04, with ice cream cabinets, bulk milk dispensers, coin operated vending machines or cooling equipment or similar equipment which**

are still in the possession or under the control of the retailer, the person furnishing the same free of charge shall within 18 months from the date of enactment, sell to the retailer all such items of equipment so furnished as the retailer may elect to purchase. The price of each item of such equipment so purchased by the retailer shall be the depreciated cost as carried on the business records of the seller or the depreciated value as determined by the formula set forth in section 32A.07, subdivision 1-a, whichever is the greater price. The price thus determined shall be paid in cash or within the period and upon the terms and conditions specified in section 32A.07, subdivision 1-a. If the retailer does not purchase all such items within said period of 18 months, the manufacturer, wholesaler or distributor originally furnishing the same shall properly repossess all items not so purchased and remove them from the premises of retailer; provided always that this provision shall not apply to or affect any bona fide written contract in force on the effective date of sections 32A.01 to 32A.09, which specifically describes each item of equipment to be furnished free of charge to the retailer, except that any provision of any such contract which, if performed, would constitute an unfair practice under sections 32A.01 to 32A.09 or result in unfair competition in the sale at retail of any selected dairy product shall not be enforceable by either party to the contract and if performance of any such provision of the contract is attempted, all civil remedies available under sections 32A.01 to 32A.09 or under any other applicable law can be asserted by any person claiming injury or threatened injury or damage by reason of the performance or threatened performance of such provision. *A dairy marketer may not place refrigeration or storage equipment on the premises of a retailer and maintain the equipment without payment or charge to the retailer except as permitted in this section. The marketer must file with the commissioner a report on equipment placed on the premises of a retailer.*

Subd. 2. [STORAGE FACILITIES.] *Nothing in this section or in sections 32A.01 to 32A.09 shall be construed to prohibit or prevent a manufacturer, wholesaler or distributor from placing refrigeration or storage facilities on the premises of any retailer and maintaining the same without payment or charge to the retailer so long as such refrigeration or storage facilities are must be used exclusively for the storage and preservation of selected dairy products manufactured or sold by the manufacturer, wholesaler or distributor dairy marketer furnishing such the refrigeration or storage facilities and they are not used by the retailer or anyone else. Storage facilities may not be used to sell or offer for sale at retail any of the selected dairy products stored or placed therein.*

Subd. 3. [REFRIGERATION FACILITIES.] *Refrigeration facilities must be used exclusively for promotional purposes in the sale or offer for sale at retail of selected dairy products manufactured or sold by the dairy marketer furnishing the refrigeration facilities. Refrigeration facilities must be removed after the promotional use.*

Subd. 4. [FURNISHING SERVICES OR FACILITIES.] *A person may not discriminate in favor of one purchaser against another purchaser of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of any services or facilities connected with the processing, handling, sale, or offering for sale of the purchased commodity on terms not offered to all purchasers on proportionally equal terms.*

Sec. 15. [32A.085] [ADMINISTRATIVE PROCEDURES.]

*Subdivision 1. [VOLUNTARY COMPLIANCE.] In the administration of this chapter, the commissioner may accept an assurance of voluntary compliance with respect to a method, act, or practice that is a violation of this chapter from any person who has engaged or was about to engage in the method, act, or practice. The assurance must be in writing and is not an admission of violation for any purpose. The commissioner may reopen a matter covered by an assurance of voluntary compliance.*

*Subd. 2. [ADMINISTRATIVE REMEDIAL ACTION.] If the commissioner has reason to believe any person is violating this chapter, the commissioner may seek to remedy the violation by a written notice or warning, cease and desist, stop-sale, or other special order, stipulation, or agreement to prohibit the person from engaging in an action which results in a violation of this chapter.*

*Subd. 3. [REQUEST FOR ADMINISTRATIVE MEETING.] A person adversely affected by administrative action under this section may request in writing within 72 hours an administrative meeting before the commissioner. A request for an administrative meeting does not stay the effect of an administrative order, unless a stay is ordered by the commissioner.*

*Subd. 4. [ADMINISTRATIVE MEETING.] Upon receipt of a request for an administrative meeting, the commissioner shall, within 72 hours, convene an administrative meeting with the person claiming to be adversely affected. At the meeting, the commissioner shall review the facts of the violation and, upon the presentation of additional evidence at the administrative meeting, the commissioner shall affirm, modify, or rescind the administrative action. If no agreement is reached, the commissioner may proceed with a contested case under chapter 14.*

*Subd. 5. [APPEAL.] A person adversely affected by an action, order, or ruling made pursuant to this section, or any rule adopted under this chapter, may seek an appeal pursuant to chapter 14.*

Sec. 16. Minnesota Statutes 1992, section 32A.09, is amended by adding a subdivision to read:

*Subd. 5a. [CEASE AND DESIST; APPEAL.] The commissioner may serve upon a person, whether or not licensed by the department, by certified mail or personal service a cease and desist order.*

*A person upon whom a cease and desist order is served may request an administrative meeting under section 32A.085. Upon receipt of a request for an administrative meeting, the commissioner shall proceed in accordance with section 32A.085.*

*Upon violation of a cease and desist order made pursuant to section 32A.085, or this section, the commissioner may bring an action in a court of appropriate jurisdiction. Each day of failure to obey a cease and desist order and each violation of a court order may be deemed a separate violation.*

Sec. 17. Minnesota Statutes 1992, section 32A.09, is amended by adding a subdivision to read:

*Subd. 6a. [PENALTY; APPEAL.] The commissioner may impose a penalty upon a person, whether or not licensed by the department, in any of its areas of jurisdiction which involve the handling, processing, distributing, and selling of selected dairy products. Each day of violation of this chapter may*

be deemed a separate violation. The commissioner may serve upon a person by certified mail or personal service a notice of penalty.

A person upon whom a penalty notice is served may request an administrative meeting under section 32A.085. Upon receipt of a request for an administrative meeting, the commissioner shall proceed in accordance with section 32A.085.

The imposition of penalty shall become effective 30 days after receipt by certified mail or personal service. For a first violation of this chapter, or a rule adopted under this chapter, the commissioner may impose a civil penalty of not less than \$100 nor more than \$1,000 for each act in violation. For a person found guilty of a second or subsequent violation, the commissioner may impose a civil penalty of not less than \$500 nor more than \$5,000 for each act in violation. In determining the amount of the civil penalty to be assessed, the commissioner shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the person's ability to continue in business.

#### Sec. 18. [SEVERABILITY.]

If any provision of Minnesota Statutes, section 32A.071, is held to be unconstitutional, then all of Minnesota Statutes, section 32A.071, is inoperative and of no effect. If Minnesota Statutes, section 32A.071, becomes inoperative and of no effect, the balance of this act is severable and remains in effect.

#### Sec. 19. [REPEALER.]

Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; 32A.071, subdivisions 1 and 2; and 32A.09, subdivisions 5 and 6, are repealed.

#### Sec. 20. [EFFECTIVE DATE.]

This act is effective the day following final enactment except that the requirement for assessments under Minnesota Statutes, section 32A.071, is effective on the first day of the month following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 32A.01; 32A.04; 32A.05, subdivision 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; 32A.071, subdivisions 1 and 2; and 32A.09, subdivisions 5 and 6."

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 Transportation and Public Transit, to which was referred

S.F. No. 902: A bill for an act relating to motor carriers; providing for expiration of certificates and permits used by any carrier for the purpose of armored carriage, and for their conversion to newly created "armored

carrier" permits; amending Minnesota Statutes 1992, sections 221.011, by adding a subdivision; 221.111; and 221.121, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221.

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 1992, section 221.011, is amended by adding a subdivision to read:

*Subd. 42. [ARMORED CARRIER SERVICE.] "Armored carrier service" means transportation of property in armored vehicles protected by at least one armed person other than the driver.*

Sec. 2. Minnesota Statutes 1992, section 221.011, is amended by adding a subdivision to read:

*Subd. 43. [ARMORED CARRIER.] "Armored carrier" is a motor carrier engaged in providing armored carrier service.*

Sec. 3. Minnesota Statutes 1992, section 221.072, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] This section does not apply to any carrier listed in section 221.111, clauses (3) to ~~(9)~~ (10).

Sec. 4. Minnesota Statutes 1992, section 221.111, is amended to read:

221.111 [PERMITS TO OTHER MOTOR CARRIERS.]

Motor carriers other than certificated carriers and local cartage carriers shall obtain a permit in accordance with section 221.121. The board shall issue only the following kinds of permits:

- (1) class II-T permits;
- (2) class II-L permits;
- (3) livestock carrier permits;
- (4) contract carrier permits;
- (5) charter carrier permits;
- (6) courier service carrier permits;
- (7) local cartage carrier permits;
- (8) household goods mover permits; and
- (9) temperature-controlled commodities permits; and
- (10) armored carrier permits.

Sec. 5. Minnesota Statutes 1992, section 221.121, is amended by adding a subdivision to read:

*Subd. 6g. [ARMORED CARRIERS.] A person who desires to hold out or to operate as an armored carrier must follow the procedure established in subdivision 1 and specifically request an armored carrier permit. No permit is required of a private carrier shipping its own items of extraordinary value.*



The board shall issue the permit if it finds that the petitioner meets the criteria established in subdivision 1 and has provided evidence that:

(a) The carriers' personnel, security, and insurance standards and procedures render it fit and able to protect the property the petitioner will transport under the permit.

(b) The carrier has obtained a protective agent's or private detective's license under sections 326.338 and 326.3381, subdivision 1, and holds the license in good standing.

Sec. 6. Minnesota Statutes 1992, section 221.131, is amended by adding a subdivision to read:

*Subd. 7. [ARMORED CARRIERS.] The commissioner shall issue distinct annual identification cards for vehicles that provide armored carrier service under a permit issued by the board. No card may be issued unless the armored carrier submits evidence that it holds in good standing a protective agent's or private detective's license under sections 326.338 and 326.3381, subdivision 1.*

Sec. 7. Minnesota Statutes 1992, section 221.141, is amended by adding a subdivision to read:

*Subd. 6. [ARMORED CARRIERS.] An armored carrier must maintain in effect cargo insurance, cargo bond, or moneys and securities insurance coverage in a minimum amount of \$300,000 per incident and must file, or its insurer must file, with the commissioner a cargo certificate of insurance, cargo bond, or certificate of moneys and securities coverage. A cargo certificate of insurance must conform to Form H, Uniform Motor Cargo Certificate of Insurance, described in Code of Federal Regulations, title 49, part 1023. A cargo bond must conform to Form J described in Code of Federal Regulations, title 49, part 1023. A certificate of moneys and securities coverage must conform to either Form H or Form J with such variances as the commissioner may allow to accommodate industry practice. Form H and Form J are incorporated by reference. The cargo certificate of insurance, cargo bond, or certificate of moneys and securities coverage must be issued in the full and correct name of the person, corporation, or partnership to whom the armored carrier permit was issued and whose operations are being insured.*

Sec. 8. [221.153] [ARMORED CARRIERS; CONVERSION OF OPERATING AUTHORITY.]

*Subdivision 1. [EXPIRATION OF OPERATING AUTHORITY.] All operating authority under certificates or permits granted by the board that authorizes armored carrier service expires on March 1, 1994. After February 28, 1994, no person may provide armored carrier service unless the person holds a valid armored carrier permit issued by the board. This subdivision does not require the expiration of any operating authority other than authority for armored carrier service. This subdivision does not limit the right of carriers to transport items of exceptional value in nonarmored vehicles that are not protected by at least one armed person exclusive of the driver.*

*Subd. 2. [CONVERSION.] A motor carrier holding operating authority that expires on March 1, 1994, under subdivision 1 who wishes to continue providing the service authorized by that operating authority must convert that operating authority into an armored carrier permit before that date.*

*Subd. 3. [ISSUANCE OF NEW PERMITS.] (a) By November 1, 1993, a motor carrier described in subdivision 2 must submit to the commissioner an application for conversion. The application must be on a form prescribed by the commissioner and must be accompanied by an application fee of \$50. The application must state: (1) the name and address of the applicant; (2) the identifying number of all certificates or permits that grant the operating authority the applicant wishes to convert; (3) evidence of armored carrier service that the motor carrier has actually and lawfully performed under a certificate or permit within the two years prior to the effective date of this section; and (4) evidence of a protective agent's or private detective's license in good standing under section 221.121, subdivision 6g, paragraph (b).*

*(b) The commissioner shall transmit to the board all applications that meet the requirements of paragraph (a). The board shall develop an expedited process for hearing and ruling on applications submitted under this subdivision. Within 60 days after receiving an application under this subdivision, the board shall issue an order approving or denying the issuance of an armored carrier permit. The board shall issue the permit requested in the application if it finds that the issuance is authorized under this section. An application submitted to the commissioner under this subdivision by November 1, 1993; is deemed approved by the board unless by January 1, 1994, the board has issued an order denying the application.*

*(c) A motor carrier whose actual and lawful provision of armored carrier service has within the two years immediately prior to the effective date of this section been limited exclusively to service to and from points within the local cartage zone shall only be issued an armored carrier permit that authorizes service as an armored carrier to and from points within that zone. A motor carrier whose actual and lawful provision of armored carrier service has within the two years immediately prior to the effective date of this section been limited exclusively to service to and from points outside the local cartage zone shall be issued only an armored carrier permit that authorizes service as an armored carrier to and from points outside that zone. A motor carrier whose actual and lawful provision of armored carrier service has within the two years immediately prior to the effective date of this section included service to and from points within and outside the local cartage zone shall be issued an armored carrier permit that authorizes armored carrier service to and from points anywhere in the state.*

Sec. 9. Minnesota Statutes 1992, section 221.161, subdivision 1, is amended to read:

*Subdivision 1. [FILING; HEARING UPON BOARD INITIATIVE.] (a) Except as provided in paragraph (b), a permit carrier, including a livestock carrier but not including a local cartage carrier, shall file and maintain with the commissioner a tariff showing rates and charges for transporting persons or property. Tariffs must be prepared and filed in accordance with the rules of the commissioner. When tariffs are filed in accordance with the rules and accepted by the commissioner, the filing constitutes notice to the public and interested parties of the contents of the tariffs. The commissioner shall not accept for filing tariffs that are unjust, unreasonable, unjustly discriminatory, unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted under this section. If the tariffs appear to be unjust, unreasonable, unjustly discriminatory, unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted under this section, after notification and investigation by the department, the board may suspend and*

postpone the effective date of the tariffs and assign the tariffs for hearing upon notice to the permit carrier filing the proposed tariffs and to other interested parties, including users of the service and competitive carriers by motor vehicle and rail. At the hearing, the burden of proof is on the permit carrier filing the proposed tariff to sustain the validity of the proposed schedule of rates and charges. Tariffs for transporting livestock are not subject to rejection, suspension, or postponement by the board, except as provided in subdivisions 2 and 3. The tariffs and subsequent supplements to them or reissues of them must state the effective date, which may not be less than ten days following the date of filing, unless the period of time is reduced by special permission of the commissioner.

*(b) A holder of an armored carrier permit is not required to file a tariff under this subdivision for the service authorized by the armored carrier permit.*

Sec. 10. Minnesota Statutes 1992, section 221.185, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS FOR SUSPENSION.] Despite the provisions of section 221.021, authority to operate as a motor carrier under sections 221.011 to 221.296 is suspended without a hearing, by order of the commissioner, for a period not to exceed 45 days upon the occurrence of any of the following and upon notice of suspension as provided in subdivision 2:

(a) the motor carrier fails to maintain and file with the commissioner, the insurance or bond required by sections 221.141 and 221.296 and rules of the commissioner;

(b) the motor carrier fails to renew permits as required by section 221.131;  
or

(c) the motor carrier fails to pay annual vehicle registration fees or renew permits as required by sections 221.071, 221.131, and 221.296; or

*(d) the motor carrier fails to maintain in good standing a protective agent's or private detective's license required under section 221.121, subdivision 6g, paragraph (b), or section 221.153, subdivision 3.*

Sec. 11. Minnesota Statutes 1992, section 221.185, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF SUSPENSION.] (a) Failure to file and maintain insurance, renew permits under section 221.131, or to pay annual vehicle registration fees or renew permits under section 221.071, 221.131, or 221.296, *or to maintain in good standing a protective agent's or private detective's license required under section 221.121, subdivision 6g, or 221.153, subdivision 3,* suspends a motor carrier's permit or certificate two days after the commissioner sends notice of the suspension by certified mail, return receipt requested, to the last known address of the motor carrier.

(b) In order to avoid permanent cancellation of the permit or certificate, the motor carrier must do one of the following within 45 days from the date of suspension:

(1) comply with the law by filing insurance or bond, renewing permits, or paying vehicle registration fees; or

(2) request a hearing before the board regarding the failure to comply with the law.

Sec. 12. Minnesota Statutes 1992, section 221.185, subdivision 4, is amended to read:

Subd. 4. [FAILURE TO COMPLY.] Except as provided in subdivision 5a, failure to comply with the requirements of sections 221.141 and 221.296 relating to bonds and insurance, 221.131 relating to permit renewal, 221.071, 221.131; or 221.296 relating to annual vehicle registration or permit renewal, 221.121, subdivision 6g, or 221.153, subdivision 3, relating to protective agent or private detective licensure, or to request a hearing within 45 days of the date of suspension, is deemed an abandonment of the motor carrier's permit or certificate and the permit or certificate must be canceled by the commissioner.

Sec. 13. [NOTICE.]

*By September 1, 1993, the commissioner of transportation shall send a notice by certified mail, return receipt requested, to all holders of operating authority that expires March 1, 1994, under Minnesota Statutes, section 221.153, subdivision 1. The notice must summarize the requirements for conversion of the operating authority and include an application form for conversion.*

Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to motor carriers; defining armored carrier service; requiring any person providing armored carrier service to obtain an armored carrier permit from the transportation regulation board; providing for conversion of existing operating authority; amending Minnesota Statutes 1992, sections 221.011, by adding subdivisions; 221.072, subdivision 2; 221.111; 221.121, by adding a subdivision; 221.131, by adding a subdivision; 221.141, by adding a subdivision; 221.161, subdivision 1; and 221.185, subdivisions 1, 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 221."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 76: A bill for an act relating to traffic regulations; increasing the fine for child passenger restraint system violations; amending Minnesota Statutes 1992, section 169.685, subdivision 5.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

H.F. No. 469: A bill for an act relating to drivers' licenses; providing that physical requirements to obtain school bus endorsement for driver's license

are satisfied by possession of medical examiner's certificate required for commercial vehicle drivers; amending Minnesota Statutes 1992, section 171.321, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

H.F. No. 113: A bill for an act relating to traffic regulations; specifying that a pedestrian lawfully in a crosswalk with pedestrian control signals must be given the right-of-way by all vehicles; amending Minnesota Statutes 1992, section 169.06, subdivision 6.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1368: A bill for an act relating to the environment; imposing criminal penalties for knowing violations of air pollution requirements; amending Minnesota Statutes 1992, section 609.671, subdivisions 9 and 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 22, delete "gross"

Page 2, line 23, after "violates" insert "

(1)"

Page 2, line 26, delete ". A" and insert ";

(2) a condition of an air emission permit issued by the agency under chapter 116 or a rule adopted under that chapter; or

(3) a requirement to pay a fee based on air emissions under chapter 116 or a rule adopted under that chapter.

A"

Page 2, line 27, delete "one year" and insert "90 days"

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. 1466: A bill for an act relating to state lands; releasing certain reversionary interests of the state to independent school district No. 911, Cambridge; amending Laws 1963, chapter 350, section 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete everything after the first comma

Page 1, line 20, delete everything before "shall" and insert "the commissioner of administration"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 248: A bill for an act relating to government data practices; providing for the issuance of commissioner's opinions under the data practices act; proposing coding for new law in Minnesota Statutes, chapter 13.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [13.072] [OPINIONS BY THE COMMISSIONER.]

*Subdivision 1. [OPINION; WHEN REQUIRED.] (a) Upon request of a state agency, statewide system, or political subdivision, the commissioner may give a written opinion on any question relating to public access to government data, rights of subjects of data, or classification of data under chapter 13 or other Minnesota statutes governing government data practices. Upon request of any person who disagrees with a determination regarding data practices made by a state agency, statewide system, or political subdivision, the commissioner may give a written opinion regarding the person's rights as a subject of government data or right to have access to government data. If the commissioner determines that no opinion will be issued, the commissioner shall give the state agency, statewide system, political subdivision, or person requesting the opinion notice of the decision not to issue the opinion within five days of receipt of the request. If this notice is not given, the commissioner shall issue an opinion within 20 days of receipt of the request. For good cause and upon written notice to the person requesting the opinion, the commissioner may extend this deadline for one additional 30-day period. The notice must state the reason for extending the deadline. The state agency, statewide system, or political subdivision must be provided a reasonable opportunity to explain the reasons for its decision regarding the data. The commissioner or the state agency, statewide system, or political subdivision may choose to give notice to the subject of the data concerning the dispute regarding the data.*

*(b) This section does not apply to a question involving the exercise of a discretionary power specifically granted by statute to a responsible authority to withhold or grant access to government data in a manner different than the data's general statutory classification.*

*(c) A written opinion issued under section 8.07 by the attorney general shall take precedence over an opinion issued by the commissioner under this section.*

*Subd. 2. [EFFECT.] Opinions issued by the commissioner under this section are not binding on the state agency, statewide system, or political subdivision whose data is the subject of the opinion, but must be given deference by a court in a proceeding involving the data. The commissioner shall arrange for public dissemination of opinions issued under this section. This section does not preclude a person from bringing any other action under this chapter or other law in addition to or instead of requesting a written*

*opinion. A state agency, statewide system, political subdivision, or person that acts in conformity with a written opinion of the commissioner is not liable for compensatory or exemplary damages in actions under section 13.08 or for a penalty under section 13.09.*

*Subd. 3. [FEE.] A state agency, statewide system, or political subdivision that requests an opinion must pay a fee of \$200 for each request.*

**Sec. 2. [REPEALER.]**

*Section 1 is repealed effective August 1, 1995."*

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 513: A bill for an act relating to marriage dissolution; maintenance; permitting delinquent maintenance payments to be withheld from certain tax refunds; amending Minnesota Statutes 1992, section 289A.50, 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 1992, section 214.101, subdivision 1, is amended to read:

Subdivision 1. [COURT ORDER; HEARING ON SUSPENSION.] If a licensing board receives an order from a court under section 518.551, subdivision 12, dealing with suspension of a license of a person found by the court to be in arrears in child support or maintenance payments, or both, the board shall, within 30 days of receipt of the court order, provide notice to the licensee and hold a hearing. If the board finds that the person is licensed by the board and evidence of full payment of arrearages found to be due by the court is not presented at the hearing, the board shall suspend the license unless it determines that probation is appropriate under subdivision 2. The only issues to be determined by the board are whether the person named in the court order is a licensee, whether the arrearages have been paid, and whether suspension or probation is appropriate. The board may not consider evidence with respect to the appropriateness of the court order or the ability of the person to comply with the order. The board may not lift the suspension until the licensee files with the board proof showing that the licensee is current in child support payments and maintenance.

Sec. 2. Minnesota Statutes 1992, section 214.101, subdivision 4, is amended to read:

Subd. 4. [VERIFICATION OF PAYMENTS.] Before a board may terminate probation, remove a suspension, issue, or renew a license of a person who has been suspended or placed on probation under this section, it shall contact the court that referred the matter to the board to determine that the applicant is not in arrears for child support or maintenance or both. The board may not issue or renew a license until the applicant proves to the board's satisfaction that the applicant is current in support payments and maintenance.

Sec. 3. Minnesota Statutes 1992, section 257.022, is amended by adding a subdivision to read:

*Subd. 4. [ESTABLISHMENT OF INTERFERENCE WITH PARENT AND CHILD RELATIONSHIP.] The court may not deny visitation rights under this section based on allegations that the visitation rights would interfere with the relationship between the custodial parent and the child unless after a hearing the court determines by a preponderance of the evidence that interference would occur.*

Sec. 4. Minnesota Statutes 1992, section 257.022, is amended by adding a subdivision to read:

*Subd. 5. [VISITATION PROCEEDING MAY NOT BE COMBINED WITH PROCEEDING UNDER CHAPTER 518B.] Proceedings under this section may not be combined with a proceeding under chapter 518B.*

Sec. 5. Minnesota Statutes 1992, section 289A.50, subdivision 5, is amended to read:

*Subd. 5. [WITHHOLDING OF REFUNDS FROM CHILD SUPPORT AND MAINTENANCE DEBTORS.] (a) If a court of this state finds that a person obligated to pay child support or maintenance is delinquent in making payments, the amount of child support or maintenance unpaid and owing, including attorney fees and costs incurred in ascertaining or collecting child support or maintenance, 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 or the party to whom maintenance, 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, maintenance, 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 or maintenance payments, attorney fees, and costs have not been paid when they were due.*

*(b) On order of the court, the commissioner shall withhold the money from the refund due to the person obligated to pay the child support or maintenance. 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, or the party to whom maintenance is owed, after any delinquent tax obligations of the taxpayer owed to the revenue department have been satisfied and after deduction of the fee prescribed in section 270A.07, subdivision 1. An amount received by the responsible public agency, or the petitioning parent or guardian, or the party to whom maintenance is owed, in excess of the amount of public assistance spent for the benefit of the child to be supported, or the amount of any support, maintenance, 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 or maintenance payments.*



(c) A petition filed under this subdivision remains in effect with respect to any refunds due under this section until the support ~~money or maintenance~~, 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 ~~or maintenance~~, attorney fees, and costs. If a petition is filed under this subdivision *concerning child support* 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.

Sec. 6. Minnesota Statutes 1992, section 518.17, subdivision 3, is amended to read:

Subd. 3. [CUSTODY ORDER.] (a) Upon adjudging the nullity of a marriage, or in a dissolution or separation proceeding, or in a child custody proceeding, the court shall make such further order as it deems just and proper concerning:

- (1) the legal custody of the minor children of the parties which shall be sole or joint;
- (2) their physical custody and residence; and
- (3) their support. In determining custody, the court shall consider the best interests of each child and shall not prefer one parent over the other solely on the basis of the sex of the parent.

(b) The court shall grant the following rights to each of the parties, unless specific findings are made under paragraph (c); and every custody order must include the following notice to the parties:

**NOTICE IS HEREBY GIVEN TO THE PARTIES:**

Each party has the right of access to, and to receive copies of, school, medical, dental, religious training, and other important records and information about the minor children. Presentation of a copy of this order to the custodian of a record or other information about the minor children constitutes sufficient authorization for the release of the record or information to the requesting party.

Each party shall keep the other party informed as to the name and address of the school of attendance of the minor children. Each party has the right to be informed by school officials about the children's welfare, educational progress and status, and to attend school and parent-teacher conferences. The school is not required to hold a separate conference for each party.

In case of an accident or serious illness of a minor child, each party shall notify the other party of the accident or illness, and the name of the health care provider and the place of treatment.

Each party has the right to reasonable access and telephone contact with the minor children.

(c) The court may waive all or part of the notice required under paragraph (b) if it finds that it is necessary to protect the welfare of a party or child *section 518.68, subdivision 1. Each party has the right of access to, and to receive copies of, school, medical, dental, religious training, and other important records and information about the minor children. Each party has*

*the right of access to information regarding health or dental insurance available to the minor children. Each party shall keep the other party informed as to the name and address of the school of attendance of the minor children. Each party has the right to be informed by school officials about the children's welfare, educational progress and status, and to attend school and parent-teacher conferences. The school is not required to hold a separate conference for each party. In case of an accident or serious illness of a minor child, each party shall notify the other party of the accident or illness, and the name of the health care provider and the place of treatment. Each party has the right to reasonable access and telephone contact with the minor children.*

Sec. 7. Minnesota Statutes 1992, section 518.171, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] *Every child support order must expressly assign or reserve the responsibility for maintaining medical insurance for the minor children and the division of uninsured medical and dental costs. Unless the obligee has comparable or better group dependent health insurance coverage available at a more reasonable cost, the court shall order the obligor to name the minor child as beneficiary on any health and dental insurance plan that is available to the obligor on a group basis or through an employer or union. "Health insurance coverage" as used in this section does not include medical assistance provided under chapter 256, 256B, or 256D.*

*If the court finds that dependent health or dental insurance is not available to the obligor on a group basis or through an employer or union, or that the group insurer is not accessible to the obligee, the court may require the obligor to obtain dependent health or dental insurance, or to be liable for reasonable and necessary medical or dental expenses of the child.*

*If the court finds that the dependent health or dental insurance required to be obtained by the obligor does not pay all the reasonable and necessary medical or dental expenses of the child, or that the dependent health or dental insurance available to the obligee does not pay all the reasonable and necessary medical or dental expenses of the child, and the court finds that the obligor has the financial ability to contribute to the payment of these medical or dental expenses, the court shall require the obligor to be liable for all or a portion of the medical or dental expenses of the child not covered by the required health or dental plan.*

Sec. 8. Minnesota Statutes 1992, section 518.175, subdivision 6; is amended to read:

Subd. 6. [COMPENSATORY VISITATION.] *If the court finds that the ~~noncustodial parent~~ a person has been wrongfully deprived of the duly established right to visitation, the court shall order the custodial parent to permit additional visits to compensate for the visitation of which the ~~noncustodial parent~~ person was deprived. Additional visits must be:*

- (1) of the same type and duration as the wrongfully denied visit;*
- (2) taken within one year after the wrongfully denied visit; and*
- (3) at a time acceptable to the ~~noncustodial parent~~ person deprived of visitation.*

Sec. 9. Minnesota Statutes 1992, section 518.177, is amended to read:

518.177 [NOTIFICATION REGARDING DEPRIVATION OF PARENTAL RIGHTS LAW.]

Every court order and judgment and decree concerning custody of or visitation with a minor child shall restate the provisions of section 609.26 contain the notice set out in section 518.68, subdivision 2.

Sec. 10. Minnesota Statutes 1992, section 518.55, subdivision 3, is amended to read:

Subd. 3. [NOTICE OF ADDRESS OR RESIDENCE CHANGE.] Every obligor shall notify the obligee and the public authority responsible for collection, if applicable, of a change of address or residence within 60 days of the address or residence change. Every order for support or maintenance must contain a conspicuous notice of the requirements of this subdivision complying with section 518.68, subdivision 2. The court may waive or modify the requirements of this subdivision by order if necessary to protect the obligor from contact by the obligee.

Sec. 11. Minnesota Statutes 1992, section 518.551, subdivision 12, is amended to read:

Subd. 12. [OCCUPATIONAL LICENSE SUSPENSION.] Upon petition of an obligee or public agency responsible for child support enforcement, if the court finds that the obligor is or may be licensed by a licensing board listed in section 214.01 and the obligor is in arrears in court-ordered child support or maintenance payments or both, the court may direct the licensing board to conduct a hearing under section 214.101 concerning suspension of the obligor's license. If the obligor is a licensed attorney, the court may report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct. The remedy under this subdivision is in addition to any other enforcement remedy available to the court.

Sec. 12. Minnesota Statutes 1992, section 518.552, is amended by adding a subdivision to read:

Subd. 6. [DETERMINATION OF INCOME.] (a) If a party is seeking maintenance, the parties shall timely serve and file documentation of earnings and income. When there is a prehearing conference, the court must receive the documentation of income at least ten days prior to the prehearing conference. Documentation of earnings and income includes, but is not limited to, pay stubs for the most recent three months, employer statements, or statement of receipts and expenses if a party is self-employed. Documentation of earnings and income also includes a party's most recent federal tax returns, including W-2 forms, 1099 forms, unemployment compensation statements, workers' compensation statements, and other documents evidencing income as received that provide verification of income over a longer period.

(b) If a party from whom maintenance is sought, who is under the jurisdiction of the court, does not appear at a court hearing after proper notice of the time and place of the hearing, the court shall set income for that party based on credible evidence before the court or in accordance with paragraph (c). Credible evidence may include documentation of current or recent income, testimony of the other party concerning recent earnings and income levels, and the party's wage reports filed with the department of jobs and training under section 268.121.

(c) If the court finds that a party from whom maintenance is sought is voluntarily unemployed or underemployed, a determination regarding maintenance may be made based on a determination of imputed income. A party is not considered voluntarily unemployed or underemployed upon a showing by the party that the unemployment or underemployment: (1) is temporary and will ultimately lead to an increase in income; or (2) represents a bona fide career change that outweighs the adverse effect of that party's diminished income. Imputed income means the estimated earning ability of a party based on the party's prior earnings history, education, and job skills, and on availability of jobs within the community for an individual with the party's qualifications. If the court is unable to determine or estimate the earning ability of a party from whom maintenance is sought, the court may make a determination regarding maintenance based on full-time employment of 40 hours per week at the federal minimum wage or the Minnesota minimum wage, whichever is higher. If a party is physically or mentally incapacitated, it is presumed that the party is not voluntarily unemployed or underemployed.

Sec. 13. Minnesota Statutes 1992, section 518.583, is amended to read:

**518.583 [NOTICE OF TAX EFFECT ON CAPITAL GAIN ON SALE OF PRINCIPAL RESIDENCE.]**

If the parties to an action for dissolution own a principal residence, the court must make express findings of fact that the parties who are represented by an attorney have been advised as to the income tax laws respecting the capital gain tax, or that parties who are not represented by an attorney have been notified that income tax laws regarding the capital gain tax may apply to the sale of the residence. This includes, but is not limited to, the 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. All judgment judgments and decrees involving a principal residence must include a the following notice to the parties that income tax laws regarding the capital gain tax may apply to the sale of the residence and that the parties may wish to consult with an attorney concerning the applicable laws: as a finding of fact or as an attachment:

**“CAPITAL GAIN ON SALE OF PRINCIPAL RESIDENCE**

*Income tax laws regarding the capital gain tax may apply to the sale of the parties' principal residence and the parties may wish to consult with an attorney or tax advisor concerning the applicable laws. These laws may include, but are not limited to, the 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.”*

Sec. 14. Minnesota Statutes 1992, section 518.611, subdivision 2, is amended to read:

Subd. 2. [CONDITIONS OF INCOME WITHHOLDING.] (a) Withholding shall result whenever the obligor fails to make the maintenance or support payments, and the following conditions are met:

- (1) the obligor is at least 30 days in arrears;
- (2) the obligee or the public authority serves written notice of income withholding, showing arrearage, on the obligor at least 15 days before service

of the notice of income withholding and a copy of the court's order on the payor of funds;

(3) within the 15-day period, the obligor fails to move the court to deny withholding on the grounds that an arrearage of at least 30 days does not exist as of the date of the notice of income withholding, or on other grounds limited to mistakes of fact, and, ex parte, to stay service on the payor of funds until the motion to deny withholding is heard;

(4) the obligee or the public authority serves a copy of the notice of income withholding, a copy of the court's order, and the provisions of this section on the payor of funds; and

(5) the obligee serves on the public authority a copy of the notice of income withholding, a copy of the court's order, an application, and the fee to use the public authority's collection services.

(b) To pay the arrearage specified in the notice of income withholding, the employer or payor of funds shall withhold from the obligor's income an additional amount equal to 20 percent of the monthly child support or maintenance obligation until the arrearage is paid.

(c) The obligor may, at any time, waive the written notice required by this subdivision.

(d) The obligor may move the court, under section 518.64, to modify the order respecting the amount of maintenance or support.

(e) Every order for support or maintenance shall provide for a conspicuous notice of the provisions of this subdivision *that complies with section 518.68, subdivision 2*. An order without this notice remains subject to this subdivision.

(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.

Sec. 15. Minnesota Statutes 1992, section 518.64, subdivision 2, is amended to read:

Subd. 2. [MODIFICATION.] (a) The terms of an order respecting maintenance or support may be modified upon a showing of one or more of the following: (1) substantially increased or decreased earnings of a party; (2) substantially increased or decreased need of a party or the child or children that are the subject of these proceedings; (3) receipt of assistance under sections 256.72 to 256.87; or (4) a change in the cost of living for either party as measured by the federal bureau of statistics, any of which makes the terms unreasonable and unfair.

(b) *It is presumed that there has been a substantial change of circumstances under paragraph (a), clause (1), (2), or (4), and the terms of a current support order shall be rebuttably presumed to be unreasonable and unfair if the application of the child support guidelines in section 518.551, subdivision 5, to the current circumstances of the parties results in a calculated court order that is at least 20 percent and at least \$50 per month higher or lower than the current support order.*

(b) (c) On a motion for modification of maintenance, including a motion for the extension of the duration of a maintenance award, the court shall apply, in addition to all other relevant factors, the factors for an award of maintenance

under section 518.552 that exist at the time of the motion. On a motion for modification of support, the court:

(1) shall apply section 518.551, subdivision 5, and shall not consider the financial circumstances of each party's spouse, if any; and

(2) shall not consider compensation received by a party for employment in excess of a 40-hour work week, provided that the party demonstrates, and the court finds, that:

(i) the excess employment began after entry of the existing support order;

(ii) the excess employment is voluntary and not a condition of employment;

(iii) the excess employment is in the nature of additional, part-time employment, or overtime employment compensable by the hour or fractions of an hour;

(iv) the party's compensation structure has not been changed for the purpose of affecting a support or maintenance obligation;

(v) in the case of an obligor, current child support payments are at least equal to the guidelines amount based on income not excluded under this clause; and

(vi) in the case of an obligor who is in arrears in child support payments to the obligee, any net income from excess employment must be used to pay the arrearages until the arrearages are paid in full.

*(d) On a motion for modification of child support or maintenance, if the court finds that the obligor has unjustifiably self-limited the obligor's income, the court may impute income.*

(e) A modification of support or maintenance may be made retroactive only with respect to any period during which the petitioning party has pending a motion for modification but only from the date of service of notice of the motion on the responding party and on the public authority if public assistance is being furnished or the county attorney is the attorney of record. However, modification may be applied to an earlier period if the court makes express findings that the party seeking modification was precluded from serving a motion by reason of a significant physical or mental disability, a material misrepresentation of another party, or fraud upon the court and that the party seeking modification, when no longer precluded, promptly served a motion.

(f) Except for an award of the right of occupancy of the homestead, provided in section 518.63, all divisions of real and personal property provided by section 518.58 shall be final, and may be revoked or modified only where the court finds the existence of conditions that justify reopening a judgment under the laws of this state, including motions under section 518.145, subdivision 2. The court may impose a lien or charge on the divided property at any time while the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of maintenance or support money, or may sequester the property as is provided by section 518.24.

(g) The court need not hold an evidentiary hearing on a motion for modification of maintenance or support.

(f) (h) Section 518.14 shall govern the award of attorney fees for motions brought under this subdivision.

Sec. 16. Minnesota Statutes 1992, section 518.641, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] An order for maintenance or child support shall provide for a biennial adjustment in the amount to be paid based on a change in the cost of living. An order that provides for a cost-of-living adjustment shall specify the cost-of-living index to be applied and the date on which the cost-of-living adjustment shall become effective. The court may use the consumer price index for all urban consumers, Minneapolis-St. Paul (CPI-U), the consumer price index for wage earners and clerical, Minneapolis-St. Paul (CPI-W), or another cost-of-living index published by the department of labor which it specifically finds is more appropriate. Cost-of-living increases under this section shall be compounded. The court may also increase the amount by more than the cost-of-living adjustment by agreement of the parties or by making further findings. The adjustment becomes effective on the first of May of the year in which it is made, for cases in which payment is made to the public authority. For cases in which payment is not made to the public authority, application for an adjustment may be made in any month but no application for an adjustment may be made sooner than two years after the date of the dissolution decree. A court may waive the requirement of the cost-of-living clause if it expressly finds that the obligor's occupation or income, or both, does not provide for cost-of-living adjustment or that the order for maintenance or child support has a provision such as a step increase that has the effect of a cost-of-living clause. The court may waive a cost-of-living adjustment in a maintenance order if the parties so agree in writing. The commissioner of human services may promulgate rules for child support adjustments under this section in accordance with the rulemaking provisions of chapter 14. *Notice of this statute must comply with section 518.68, subdivision 2.*

Sec. 17. [518.68] [REQUIRED NOTICES.]

*Subdivision 1. [REQUIREMENT.] Every court order for judgment and decree that provides for child support, spousal maintenance, custody, or visitation must contain certain notices as set out in subdivision 2. The information in the notices must be concisely stated in plain language. The notices must be in clearly legible print, but may not exceed two pages. An order or judgment and decree without the notice remains subject to all statutes. The court may waive all or part of the notice required under this section if it finds it is necessary to protect the welfare of a party or child.*

*Subd. 2. [CONTENTS.] The required notices must be substantially as follows:*

#### IMPORTANT NOTICE

##### 1. PAYMENTS TO PUBLIC AGENCY

*Pursuant to Minnesota Statutes, section 518:551, subdivision 1, payments ordered for maintenance and support must be paid to the public agency responsible for child support enforcement as long as the person entitled to receive the payments is receiving or has applied for public assistance or has*

*applied for support and maintenance collection services. MAIL PAYMENTS TO:*

## 2. DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS—A FELONY

*A person may be charged with a felony who conceals a minor child or takes, obtains, retains, or fails to return a minor child from or to the child's parent (or person with custodial or visitation rights), pursuant to Minnesota Statutes, section 609.26. A copy of that section is available from any district court clerk.*

## 3. RULES OF SUPPORT, MAINTENANCE, VISITATION

*(a) Payment of support or spousal maintenance is to be as ordered herein, and the giving of gifts or making purchases of food, clothing, and the like will not fulfill the obligation.*

*(b) Payment of support must be made as it becomes due, and failure to secure or denial of rights of visitation is NOT an excuse for nonpayment, but the aggrieved party must seek relief through a proper motion filed with the court.*

*(c) The payment of support or spousal maintenance takes priority over payment of debts and other obligations.*

*(d) A party who remarries after dissolution and accepts additional obligations of support does so with the full knowledge of the party's prior obligation under this proceeding.*

*(e) Child support or maintenance is based on annual income, and it is the responsibility of a person with seasonal employment to budget income so that payments are made throughout the year as ordered.*

## 4. PARENTAL RIGHTS FROM MINNESOTA STATUTES, SECTION 518.17, SUBDIVISION 3

*Unless otherwise provided by the Court:*

*(a) Each party has the right of access to, and to receive copies of, school, medical, dental, religious training, and other important records and information about the minor children. Each party has the right of access to information regarding health or dental insurance available to the minor children. Presentation of a copy of this order to the custodian of a record or other information about the minor children constitutes sufficient authorization for the release of the record or information to the requesting party.*

*(b) Each party shall keep the other informed as to the name and address of the school of attendance of the minor children. Each party has the right to be informed by school officials about the children's welfare, educational progress and status, and to attend school and parent teacher conferences. The school is not required to hold a separate conference for each party.*

*(c) In case of an accident or serious illness of a minor child, each party shall notify the other party of the accident or illness, and the name of the health care provider and the place of treatment.*



*(d) Each party has the right of reasonable access and telephone contact with the minor children.*

**5. WAGE AND INCOME DEDUCTION OF SUPPORT AND MAINTENANCE**

*Child support and/or spousal maintenance may be withheld from income, with or without notice to the person obligated to pay, when the conditions of Minnesota Statutes, sections 518.611 and 518.613, have been met. A copy of those sections is available from any district court clerk.*

**6. CHANGE OF ADDRESS OR RESIDENCE**

*Unless otherwise ordered, the person responsible to make support or maintenance payments shall notify the person entitled to receive the payment and the public authority responsible for collection, if applicable, of a change of address or residence within 60 days of the address or residence change.*

**7. COST OF LIVING INCREASE OF SUPPORT AND MAINTENANCE**

*Child support and/or spousal maintenance may be adjusted every two years based upon a change in the cost of living (using Department of Labor Consumer Price Index ....., unless otherwise specified in this order) when the conditions of Minnesota Statutes, section 518.641, are met. Cost of living increases are compounded. A copy of Minnesota Statutes, section 518.641, and forms necessary to request or contest a cost of living increase are available from any district court clerk.*

**8. JUDGMENTS FOR UNPAID SUPPORT**

*If a person fails to make a child support payment, the payment owed becomes a judgment against the person responsible to make the payment by operation of law on or after the date the payment is due, and the person entitled to receive the payment or the public agency may obtain entry and docketing of the judgment WITHOUT NOTICE to the person responsible to make the payment under Minnesota Statutes, section 548.091.*

**9. JUDGMENTS FOR UNPAID MAINTENANCE**

*A judgment for unpaid spousal maintenance may be entered when the conditions of Minnesota Statutes, section 548.091, are met. A copy of that section is available from any district court clerk.*

**10. TAX REFUNDS**

*If a person fails to make child support payments and becomes in arrears, the public agency responsible for child support enforcement will intercept the person's tax refunds to pay the child support debt. The public agency will submit a claim against federal income tax refunds and state income tax, property tax, or renter's credit and lottery winnings.*

**11. MEDICAL INSURANCE AND EXPENSES**

*The person responsible to pay support and the person's employer or union are ordered to provide medical and dental insurance and pay for uncovered expenses under the conditions of Minnesota Statutes, section 518.171,*

*unless otherwise provided in this order or the statute. A copy of this statute is available from any district court clerk.*

*Subd. 3. [COPIES OF LAW AND FORMS.] The district court administrator shall make available at no charge copies of sections 518.17, 518.611, 518.613, 518.641, 548.091, and 609.26, and shall provide forms to request or contest a cost-of-living increase under section 518.641.*

Sec. 18. Minnesota Statutes 1992, section 518B.01, subdivision 3, is amended to read:

Subd. 3. [COURT JURISDICTION.] An application for relief under this section may be filed in the court having jurisdiction over dissolution actions in the county of residence of either party, in the county which has a current or prior family court proceeding involving the parties or their minor children, or in the county in which the alleged domestic abuse occurred. In a jurisdiction which utilizes referees in dissolution actions, the court or judge may refer actions under this section to a referee to take and report the evidence therein in the same manner and subject to the same limitations as is provided in section 518.13. Actions under this section shall be given docket priorities by the court.

Sec. 19. Minnesota Statutes 1992, 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. Except for cases in which custody is contested, findings under section 257.025, 518.17, or 518.175 are not required. 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 decision on custody and visitation shall in no way delay the issuance of an order for protection granting other reliefs provided for in this section;
- (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;

(9) order the abusing party to pay restitution to the petitioner;

(10) *order the maintenance and continuance of all currently available insurance coverage without change in coverage or beneficiary designation; and*

(10) (11) 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.

(e) If a proceeding for dissolution of marriage or legal separation is pending between the parties, the court shall provide a copy of the order for protection to the court with jurisdiction over the dissolution or separation proceeding for inclusion in its file.

(f) An order for restitution issued under this subdivision is enforceable as civil judgment.

Sec. 20. Minnesota Statutes 1992, 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; *and*

(4) *maintaining and continuing all currently available insurance coverage without change in coverage or beneficiary designation.*

(b) A finding by the court that there is a basis for issuing an ex parte temporary order for protection constitutes a finding that sufficient reasons exist not to require notice under applicable court rules governing applications for ex parte temporary relief.

(c) 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 (d). 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.

(d) 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. 21. Minnesota Statutes 1992, section 518B.01, subdivision 9, is amended to read:

Subd. 9. [ASSISTANCE OF SHERIFF IN SERVICE OR EXECUTION.] When an order is issued under this section upon request of the petitioner, the court shall order the sheriff or constable to accompany the petitioner and assist in placing the petitioner in possession of the dwelling or residence, or otherwise assist in execution or service of the order of protection. *If the application for relief is brought in a county in which the respondent is not present, the sheriff shall forward the pleadings necessary for service upon the respondent to the sheriff of the county in which the respondent is present. This transmittal must be expedited to allow for timely service.*

Sec. 22. [REPEALER.]

*Minnesota Statutes 1992, section 518.55, subdivisions 2 and 2a, are repealed."*

Delete the title and insert:

"A bill for an act relating to the family; providing for suspension of a license for unpaid maintenance; clarifying certain language; modifying provisions for establishment of third-party visitation rights; permitting delinquent maintenance payments to be withheld from tax refunds; changing notices required in certain court orders; requiring certain terms in child support orders; providing for third-party compensatory visitation; requiring determination of income for maintenance; changing provisions relating to modification of maintenance or support; providing for jurisdiction of certain domestic abuse actions; providing for pleadings to be forwarded; authorizing additional relief; changing a deadline; amending Minnesota Statutes 1992, sections 214.101, subdivisions 1 and 4; 257.022, by adding subdivisions; 289A.50, subdivision 5; 518.17, subdivision 3; 518.171, subdivision 1; 518.175, subdivision 6; 518.177; 518.55, subdivision 3; 518.551, subdivision 12; 518.552, by adding a subdivision; 518.583; 518.611, subdivision 2; 518.64, subdivision 2; 518.641, subdivision 1; and 518B.01, subdivisions 3,

6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1992, section 518.55, subdivisions 2 and 2a."

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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1162: A bill for an act relating to state government; administrative rulemaking; changing the membership and duties of the LCRAR; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; authorizing agencies to adopt substantially different rules in certain circumstances; regulating notices of intent to solicit outside opinion, statements of need and reasonableness, and public hearing requirements; authorizing the governor to disapprove rules adopted after public hearing; eliminating the requirement that agencies review their rules and consider methods to reduce their impact on small business; appropriating money; amending Minnesota Statutes 1992, sections 3.841; 3.842, subdivision 5; 14.05, subdivision 2, and by adding a subdivision; 14.08; 14.09; 14.10; 14.115, subdivision 5; 14.131; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.23; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.32; 14.33; 14.34; 14.365; 14.47, subdivision 6; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225.

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 1992, section 3.841, is amended to read:

3.841 [LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES; COMPOSITION; MEETINGS.]

A legislative commission for to review of administrative rules, consisting of five senators appointed by the committee on committees of the senate and five representatives appointed by the speaker of the house of representatives shall be appointed. *Its members must include the chair or vice-chair of the committees in each body having jurisdiction over administrative rules.* The commission shall meet at the call of its chair or upon a call signed by two of its members or signed by five members of the legislature. The office of chair of the legislative commission shall alternate between the two houses of the legislature every two years.

Sec. 2. [3.984] [RULE NOTES.]

*Subdivision 1. [REQUIREMENT.] The head or chief administrative officer of an agency, as defined in section 14.02, subdivision 2, shall prepare a note containing the information required by subdivision 2 on every bill containing a grant of rulemaking authority to that agency. The chair of a standing committee receiving a bill on rereferral from another standing committee shall request that: (1) the rule note be amended to reflect any amendment of the grant of rulemaking authority made to the bill; or (2) a rule note be prepared by the agency if a grant of rulemaking authority has been added to the bill.*

*Subd. 2. [CONTENTS.] The note required by subdivision 1 must treat separately each grant of rulemaking authority contained in the bill and must include a detailed explanation of:*

- (1) the reasons for the grant of rulemaking authority;*
- (2) the persons or groups the rules would impact;*
- (3) the estimated cost of the rule for the persons or groups specified pursuant to clause (2); and*
- (4) the areas of controversy anticipated by the agency.*

*The note must be delivered to the chair of the standing committee to which the bill has been referred or rereferred, the chair of the legislative commission to review administrative rules, and the chairs of the committees in each body having jurisdiction over administrative rules.*

*Subd. 3. [ADMINISTRATION.] The commissioner of finance is responsible for coordinating this process, for assuring the accuracy and completeness of the note, and for assuring that rule notes are prepared, delivered, and updated as provided by this section.*

*The commissioner shall prescribe a uniform procedure to govern agencies in complying with this section.*

Sec. 3. Minnesota Statutes 1992, section 14.05, subdivision 2, is amended to read:

*Subd. 2. [AUTHORITY TO MODIFY PROPOSED RULE.] An agency may modify a proposed rule in accordance with the procedures of the administrative procedure act. However, an agency may not modify a proposed rule so that it is substantially different from the proposed rule in the notice of intent to adopt rules or notice of hearing. A rule is substantially different if it is determined to be so by the administrative law judge and the chief administrative law judge after considering the extent to which it: (1) affects classes of persons who could not have reasonably been expected to comment on the proposed rule during the comment period or at the rulemaking hearing; (2) goes to a new subject matter of significant substantive effect; (3) makes a major substantive change that was not raised by the original notice of intent to adopt or the notice of hearing in such a way as to invite reaction during the comment period or at the hearing; or (4) results in a rule fundamentally different in effect from that contained in the notice of intent to adopt or notice of hearing.*

Sec. 4. Minnesota Statutes 1992, section 14.05, is amended by adding a subdivision to read:

*Subd. 5. [REVIEW AND REPEAL OF RULES.] By December 1 of each year, an agency shall submit a list of all the rules of the agency to the governor and the legislative commission to review administrative rules. The list must identify any rules that are obsolete and should be repealed and must include the agency's timetable for repeal.*

Sec. 5. Minnesota Statutes 1992, section 14.08, is amended to read:

**14.08 [REVISOR OF STATUTES APPROVAL OF RULE AND RULE FORM; COSTS.]**

(a) Two copies of a rule adopted pursuant to the provisions of section 14.26 or 14.32 shall be submitted by the agency to the attorney general administrative law judge. The attorney general administrative law judge shall send one copy of the rule to the revisor on the same day as it is submitted by the agency under section 14.26 or 14.32. Within five days after receipt of the rule, excluding weekends and holidays, the revisor shall either return the rule with a certificate of approval of the form of the rule to the attorney general administrative law judge or notify the attorney general administrative law judge and the agency that the form of the rule will not be approved.

If the attorney general administrative law judge disapproves a rule, the agency may modify it and the agency shall submit two copies of the modified rule to the attorney general administrative law judge who shall send a copy to the revisor for approval as to form as described in this paragraph.

(b) One copy of a rule adopted after a public hearing shall be submitted by the agency to the revisor for approval of the form of the rule. Within five working days after receipt of the rule, the revisor shall either return the rule with a certificate of approval to the agency or notify the agency that the form of the rule will not be approved.

(c) If the revisor refuses to approve the form of the rule, the revisor's notice shall revise the rule so it is in the correct form.

(d) The attorney general administrative law judge shall assess an agency for the attorney general's actual cost of processing rules under this section. The agency shall pay the attorney general's assessments using the procedures of section 8-15. Each agency shall include in its budget money to pay the attorney general's assessments. Receipts from the assessment must be deposited in the state treasury and credited to the general fund administrative hearings account created in section 14.54.

Sec. 6. Minnesota Statutes 1992, section 14.09, is amended to read:

#### 14.09 [PETITION FOR ADOPTION OF RULE.]

Any interested person may petition an agency requesting the adoption, suspension, amendment or repeal of any rule. The petition shall be specific as to what action is requested and the need for the action. Upon receiving a petition an agency shall have 60 days in which to make a specific and detailed reply in writing as to its planned disposition of the request. If the agency states its intention to hold a public hearing on the subject of the request, it shall proceed according to sections 14.05 to 14.36. The attorney general administrative law judge shall prescribe by rule the form for all petitions under this section and may prescribe further procedures for their submission, consideration, and disposition.

Sec. 7. Minnesota Statutes 1992, section 14.10, is amended to read:

#### 14.10 [SOLICITATION OF OUTSIDE INFORMATION.]

When an agency seeks to obtain information or opinions in preparing to propose the adoption, amendment, suspension, or repeal of a rule from sources outside of the agency, the agency shall publish notice of its action in the State Register, mail this notice to persons who have registered their names pursuant to section 14.14, subdivision 1a, 14.22, or 14.30, and shall afford all interested persons an opportunity to submit data or views on the subject of concern in writing or orally. Such notice and any written material received by

the agency shall become a part of the rulemaking record to be submitted to the ~~attorney general or administrative law judge~~ under section 14.14, 14.26, or 14.32. *This notice must contain a summary of issues that may be considered by the agency when the rule is proposed, a statement of the agency's intentions regarding the formation of an advisory task force on the subject, and, if a task force is to be formed, a list of the persons or associations the agency intends to invite to serve on the task force. The notice must also include a proposed timetable outlining when the agency intends to form the advisory task force, when it could be expected to complete its work, and how long the agency anticipates the rulemaking process taking.*

Sec. 8. Minnesota Statutes 1992, section 14.115, subdivision 5, is amended to read:

Subd. 5. [COMPLIANCE.] ~~If an administrative law judge or the attorney general~~ finds that an agency has failed to comply with subdivisions 1 to 4, the rules shall not be adopted unless the failure to comply is considered a harmless error under section 14.15, subdivision 5; 14.26, subdivision 3; or 14.32, subdivision 2.

Sec. 9. [14.125] [TIME LIMIT ON AUTHORITY TO ADOPT, AMEND, OR REPEAL RULES.]

*An agency shall adopt, amend, or repeal rules within 18 months of the effective date of the law authorizing or requiring rules to be adopted, amended, or repealed. If the rules are not adopted, amended, or repealed within the time limit imposed by this section, the authority for the rules expires. The agency shall not use other law in existence at the time of the expiration of rulemaking authority under this section as authority to adopt, amend, or repeal these rules. This time limit does not include any days for review by the governor under section 14.165 or the office of administrative hearings under sections 14.15 and 14.16; 14.26, subdivision 3; and 14.32.*

*An agency that adopts or amends rules within the time limit specified in this section may subsequently amend or repeal the rules without additional legislative authorization.*

*This section does not apply to emergency rules subject to the 180-day time limit in section 14.29, subdivision 2.*

Sec. 10. Minnesota Statutes 1992, section 14.15, subdivision 3, is amended to read:

Subd. 3. [FINDING OF SUBSTANTIAL CHANGE DIFFERENCE.] ~~If the report contains a finding that a rule has been modified in a way which makes it substantially different, as determined under section 14.05, subdivision 2,~~ from that which was originally proposed, or that the agency has not met the requirements of sections 14.131 to 14.18, it shall be submitted to the chief administrative law judge for approval. If the chief administrative law judge approves the finding of the administrative law judge, the chief administrative law judge shall advise the agency and the revisor of statutes of actions which will correct the defects. The agency shall not adopt the rule until the chief administrative law judge determines that the defects have been corrected *and the requirements of section 14.165 have been satisfied.*

Sec. 11. Minnesota Statutes 1992, section 14.15, subdivision 4, is amended to read:



Subd. 4. [NEED OR REASONABLENESS NOT ESTABLISHED.] If the chief administrative law judge determines that the need for or reasonableness of the rule has not been established pursuant to section 14.14, subdivision 2, and if the agency does not elect to follow the suggested actions of the chief administrative law judge to correct that defect, then the agency shall submit the proposed rule to the legislative commission to review administrative rules for the commission's advice and comment. The agency shall not adopt the rule until it has received and considered the advice of the commission *and the requirements of section 14.165 have been satisfied*. However, the agency is not required to ~~delay adoption longer~~ wait for the commission's advice for more than 30 days after the commission has received the agency's submission. Advice of the commission shall not be binding on the agency.

Sec. 12. Minnesota Statutes 1992, section 14.16, subdivision 1, is amended to read:

Subdivision 1. [REVIEW OF MODIFICATIONS.] If the report of the administrative law judge finds no defects, the agency may proceed to adopt the rule *after the requirements of section 14.165 have been satisfied*. After receipt of the administrative law judge's report, if the agency makes any modifications to the rule other than those recommended by the administrative law judge, it must return the rule to the chief administrative law judge for a review on the issue of ~~substantial change~~ *whether the rule as modified is substantially different, as determined under section 14.05, subdivision 2, from the rule as originally proposed*. If the chief administrative law judge determines that the modified rule is substantially different from that which was originally proposed, the chief administrative law judge shall advise the agency of actions which will correct the defects. The agency shall not adopt the modified rule until the chief administrative law judge determines that the defects have been corrected *and the requirements of section 14.165 have been satisfied*.

The agency shall give notice to all persons who requested to be informed that the rule has been adopted and filed with the secretary of state. This notice shall be given on the same day that the rule is filed.

Sec. 13. [14.165] [APPROVAL BY GOVERNOR.]

*Before proceeding to adopt a rule after complying with sections 14.15 and 14.16, the agency shall give written notice to the governor of its intent to adopt the rule. The governor has 30 days after receipt of this notice to review the proposed rule and its record and approve or disapprove the rule. The agency may not adopt the rule unless the governor approves.*

Sec. 14. Minnesota Statutes 1992, section 14.19, is amended to read:

14.19 [DEADLINE TO COMPLETE RULEMAKING.]

The agency shall, within 180 days after issuance of the administrative law judge's report, submit its notice of adoption, amendment, suspension, or repeal to the State Register for publication. If the agency has not submitted its notice to the State Register within 180 days, the rule is automatically withdrawn. The agency shall not adopt the withdrawn rules without again following the procedures of sections 14.05 to 14.36. It shall report to the legislative commission to review administrative rules, other appropriate committees of the legislature, and the governor its failure to adopt rules and the reasons for that failure. The 180-day time limit of this section does not

include any days used for review by the chief administrative law judge, the attorney general, or the legislative commission to review administrative rules if the review is required by law.

Sec. 15. Minnesota Statutes 1992, section 14.22, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS.] Unless an agency proceeds directly to a public hearing on a proposed rule and gives the notice prescribed in section 14.14, subdivision 1a, the agency shall give notice of its intention to adopt a rule without public hearing. The notice shall be given by publication in the State Register and by United States mail to persons who have registered their names with the agency pursuant to section 14.14, subdivision 1a. The mailed notice shall include either a copy of the proposed rule or a description of the nature and effect of the proposed rule and an announcement that a free copy of the proposed rule is available on request from the agency. The notice in the State Register shall include the proposed rule or the amended rule in the form required by the revisor under section 14.07, and a citation to the most specific statutory authority for the proposed rule. When an entire rule is proposed to be repealed, the notice need only state that fact, giving the citation to the rule to be repealed in the notice. The notice shall include a statement advising the public:

(1) that they have 30 days in which to submit comment in support of or in opposition to the proposed rule and that comment is encouraged;

(2) that each comment should identify the portion of the proposed rule addressed, the reason for the comment, and any change proposed;

(3) that if 25 or more persons submit a written request for a public hearing within the 30-day comment period, a public hearing will be held;

(4) of the manner in which persons shall request a public hearing on the proposed rule;

(5) that the name and address of the person requesting a public hearing shall be stated of the requirements contained in section 14.25 relating to a written request for a public hearing, and that the requester is encouraged to identify the portion of the proposed rule addressed, the reason for the request, and propose any change proposed desired;

(6) that the proposed rule may be modified if the modifications are supported by the data and views submitted; and

(7) that if a hearing is not required, notice of the date of submission of the proposed rule to the attorney general administrative law judge for review will be mailed to any person requesting to receive the notice.

In connection with the statements required in clauses (1) and (3), the notice must also include the date on which the 30-day comment period ends.

Sec. 16. Minnesota Statutes 1992, section 14.24, is amended to read:

#### 14.24 [MODIFICATIONS OF PROPOSED RULE.]

The proposed rule may be modified if the modifications are supported by the data and views submitted to the agency and do not result in a substantial change substantially different rule, as determined under section 14.05, subdivision 2, from the rule as originally proposed.

Sec. 17. Minnesota Statutes 1992, section 14.25, is amended to read:

14.25 [PUBLIC HEARING REQUIRED.]

If, during the 30-day period allowed for comment, 25 or more persons submit to the agency a written request for a public hearing of the proposed rule, the agency shall proceed under the provisions of sections 14.14 to 14.20. *The written request must include: (1) the name and address of the person requesting the public hearing; and (2) the portion or portions of the rule to which the person objects.* A notice of the public hearing must be published in the State Register and mailed to those persons who submitted a written request for the public hearing. Unless the agency has modified the proposed rule, the notice need not include the text of the proposed rule but only a citation to the State Register pages where the text appears.

*A written request for hearing that does not comply with the requirements of this section is invalid and must not be counted by the agency for purposes of determining whether a public hearing must be held.*

Sec. 18. Minnesota Statutes 1992, section 14.26, is amended to read:

14.26 [ADOPTION OF PROPOSED RULE; SUBMISSION TO ATTORNEY GENERAL ADMINISTRATIVE LAW JUDGE.]

Subdivision 1. [SUBMISSION.] If no hearing is required, the agency shall submit to the ~~attorney general~~ *an administrative law judge assigned by the chief administrative law judge* the proposed rule and notice as published, the rule as proposed for adoption, any written comments received by the agency, and a statement of need and reasonableness for the rule. The agency shall give notice to all persons who requested to be informed that these materials have been submitted to the ~~attorney general~~ *administrative law judge*. This notice shall be given on the same day that the record is submitted. If the proposed rule has been modified, the notice shall state that fact, and shall state that a free copy of the proposed rule, as modified, is available upon request from the agency. The rule and these materials shall be submitted to the ~~attorney general~~ *administrative law judge* within 180 days of the day that the comment period for the rule is over or the rule is automatically withdrawn. The agency shall report its failure to adopt the rules and the reasons for that failure to the legislative commission to review administrative rules, other appropriate legislative committees, and the governor.

Subd. 2. [RESUBMISSION.] Even if the 180-day period expires while the ~~attorney general~~ *administrative law judge* reviews the rule, if the ~~attorney general~~ *administrative law judge* rejects the rule, the agency may resubmit it after taking corrective action. The resubmission must occur within 30 days of when the agency receives written notice of the disapproval. If the rule is again disapproved, the rule is withdrawn. An agency may resubmit at any time before the expiration of the 180-day period. If the agency withholds some of the proposed rule, it may not adopt the withheld portion without again following the procedures of sections 14.14 to 14.28, or 14.29 to 14.36.

Subd. 3. [REVIEW.] The ~~attorney general~~ *administrative law judge* shall approve or disapprove the rule as to its legality and its form to the extent the form relates to legality, including the issue of ~~substantial change~~ *whether the rule if modified is substantially different, as determined under section 14.05, subdivision 2, from the rule as originally proposed*, and determine whether the agency has the authority to adopt the rule and whether the record

demonstrates a rational basis for the need for and reasonableness of the proposed rule within 14 days. If the rule is approved, the attorney general administrative law judge shall promptly file two copies of it in the office of the secretary of state. The secretary of state shall forward one copy of each rule to the revisor of statutes. If the rule is disapproved, the attorney general administrative law judge shall state in writing the reasons and make recommendations to overcome the deficiencies, and defects. The written disapproval must be submitted to the chief administrative law judge for approval. If the chief administrative law judge approves of the findings of the administrative law judge, the chief administrative law judge shall send the statement of the reasons for disapproval of the rule to the agency, the legislative commission to review administrative rules, and the revisor of statutes and advise the agency and the revisor of statutes of actions that will correct the defects. The agency shall either withdraw the rule or take the actions required to correct the defects. If the agency decides to take action to correct the defects, the rule shall not be filed in the office of the secretary of state, nor published until the agency resubmits it to the chief administrative law judge who will determine if the defects have been overcome corrected. The attorney general shall send a statement of reasons for disapproval of the rule to the agency, the chief administrative law judge, the legislative commission to review administrative rules, and to the revisor of statutes.

If the chief administrative law judge determines that the need for or reasonableness of the rule has not been established, and if the agency does not elect to follow the suggested actions of the chief administrative law judge to correct that defect, then the agency shall submit the proposed rule to the legislative commission to review administrative rules for the commission's advice and comment. The agency shall not adopt the rule until it has received and considered the advice of the commission. However, the agency is not required to delay adoption longer than 30 days after the commission has received the agency's submission. Advice of the commission is not binding on the agency.

The attorney general administrative law judge shall disregard any error or defect in the proceeding due to the agency's failure to satisfy any procedural requirements imposed by law or rule if the attorney general administrative law judge finds:

- (1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process; or
- (2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Subd. 4. [COSTS.] The attorney general office of administrative hearings shall assess an agency for the actual cost of processing rules under this section. The agency shall pay the attorney general's assessments using the procedures of section 8.15. Each agency shall include in its budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund administrative hearings account created in section 14.54.

Sec. 19. Minnesota Statutes 1992, section 14.29, subdivision 2, is amended to read:

Subd. 2. [180-DAY TIME LIMIT.] Unless an agency is directed by federal law or court order to adopt, amend, suspend, or repeal a rule in a manner that does not allow for compliance with sections 14.14 to 14.28, no agency may adopt an emergency rule later than 180 days after the effective date of the statutory authority, except as provided in subdivisions 3 and 4. If emergency rules are not adopted within the time allowed, the authority for the rules expires. The time limit of this section does not include any days used for review by the ~~attorney general~~ *administrative law judge and the chief administrative law judge*. If the 180-day period expires while the ~~attorney general~~ *administrative law judge or the chief administrative law judge* is reviewing the rule and the ~~attorney general~~ *chief administrative law judge* disapproves the rule, the agency may resubmit the rule to the ~~attorney general~~ *chief administrative law judge* after taking corrective action. The resubmission must occur within five working days after the agency receives written notice of disapproval. If the rule is again disapproved by the ~~attorney general~~ *chief administrative law judge*, it is withdrawn.

Sec. 20. Minnesota Statutes 1992, section 14.29, subdivision 4, is amended to read:

Subd. 4. [GAME AND FISH RULES.] (a) The commissioner of natural resources may adopt rules under sections 14.29 to 14.36 and this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game, to prohibit or allow taking of wild animals to protect a species, and to prohibit or allow importation, transportation, or possession of a wild animal; and

(2) sections 84.093, 84.14, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas.

Clause (2) does not limit or supersede the commissioner's authority to establish opening dates, days, and hours of the wild rice harvesting season under section 84.14, subdivision 3.

(b) If conditions exist that do not allow the commissioner to comply with sections 14.29 to 14.36, the commissioner may adopt a rule under this subdivision by submitting the rule to ~~the attorney general~~ *an administrative law judge assigned by the chief administrative law judge* for review under section 14.32, complying with sections 3.846, subdivision 2, and 14.36, and including a statement of the emergency conditions and a copy of the rule in the notice. The notice may be published after it is received from the ~~attorney general~~ *administrative law judge* or five business days after it is submitted to the ~~attorney general~~ *administrative law judge*, whichever is earlier.

(c) Rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under section 3.846, subdivision 2, if:

(1) the commissioner of natural resources determines that an emergency exists;

(2) the ~~attorney general~~ *administrative law judge* approves the rule; and

(3) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (3), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (3), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

(g) Notwithstanding section 14.35, a rule adopted under this subdivision is effective for the period stated in the notice but not longer than 18 months after the rule is adopted.

(h) A rule adopted under this subdivision is not subject to the 180-day time limit in subdivision 2.

Sec. 21. Minnesota Statutes 1992, section 14.30, is amended to read:

14.30 [NOTICE OF PROPOSED ADOPTION OF EMERGENCY RULE.]

The proposed emergency rule shall be published with a notice of intent to adopt emergency rules in the State Register, and the same notice shall be mailed to all persons registered with the agency to receive notice of any rulemaking proceedings. The notice shall include a statement advising the public that a free copy of the proposed rule is available on request from the agency and that notice of the date of submission of the proposed emergency rule to the ~~attorney general~~ *administrative law judge* will be mailed to any person requesting to receive the notice. For at least 25 days after publication the agency shall afford all interested persons an opportunity to submit data and views on the proposed emergency rule in writing. The notice must also include the date on which the 25-day comment period ends.

Sec. 22. Minnesota Statutes 1992, section 14.31, is amended to read:

14.31 [MODIFICATIONS OF PROPOSED EMERGENCY RULE.]

The proposed emergency rule may be modified if the modifications are supported by the data and views submitted to the agency *and do not result in a substantially different rule, as determined under section 14.05, subdivision 2, from the rule as originally proposed.*

Sec. 23. Minnesota Statutes 1992, section 14.32, is amended to read:

14.32. [SUBMISSION OF PROPOSED EMERGENCY RULE TO ~~ATTORNEY GENERAL~~ *ADMINISTRATIVE LAW JUDGE.*]

Subdivision 1. [SUBMISSION.] The agency shall submit to the ~~attorney general~~ *an administrative law judge assigned by the chief administrative law judge* the proposed emergency rule as published, with any modifications. On the same day that it is submitted, the agency shall mail notice of the submission to all persons who requested to be informed that the proposed

emergency rule has been submitted to the attorney general administrative law judge. If the proposed emergency rule has been modified, the notice shall state that fact, and shall state that a free copy of the proposed emergency rule, as modified, is available upon request from the agency.

Subd. 2. [REVIEW.] The attorney general administrative law judge shall review the proposed emergency rule as to its legality, review its form to the extent the form relates to legality, including the issue of whether the emergency rule if modified is substantially different, as determined under section 14.05, subdivision 2, from the emergency rule as originally proposed, determine whether the agency has authority to adopt the emergency rule, and shall approve or disapprove the proposed emergency rule and any modifications on the tenth working day following the date of receipt of the proposed emergency rule from the agency. The attorney general administrative law judge shall send a statement of reasons for disapproval of the rule to the agency, the chief administrative law judge, the legislative commission to review administrative rules, and to the revisor of statutes. If the rule is disapproved, the administrative law judge shall state in writing the reasons and make recommendations to overcome the defects. The written disapproval must be submitted to the chief administrative law judge for approval. If the chief administrative law judge approves of the findings of the administrative law judge, the chief administrative law judge shall send a statement of reasons for disapproval of the rule to the agency, the legislative commission to review administrative rules, and the revisor of statutes and advise the agency and the revisor of statutes of actions that will correct the defects. The agency shall either withdraw the rule or take the actions required to correct the defects. If the agency decides to take action to correct the defects, the rule shall not be filed in the office of the secretary of state, or published until the agency resubmits it to the chief administrative law judge who will determine if the defects have been corrected.

The attorney general administrative law judge shall disregard any error or defect in the proceeding due to the agency's failure to satisfy any procedural requirement imposed by law or rule if the attorney general administrative law judge finds:

- (1) that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process; or
- (2) that the agency has taken corrective action to cure the error or defect so that the failure did not deprive any person or entity of an opportunity to participate meaningfully in the rulemaking process.

Subd. 3. [COSTS.] The attorney general office of administrative hearings shall assess an agency for the actual cost of processing rules under this section. Each agency shall include in its budget money to pay the attorney general's assessment. Receipts from the assessment must be deposited in the state treasury and credited to the general fund administrative hearings account created in section 14.54.

Sec. 24. Minnesota Statutes 1992, section 14.33, is amended to read:

#### 14.33 [EFFECTIVE DATE OF EMERGENCY RULE.]

The emergency rule shall take effect five working days after approval by the attorney general administrative law judge or chief administrative law judge. The attorney general administrative law judge or chief administrative law

*judge shall file two copies of the approved emergency rule with the secretary of state. The secretary of state shall forward one copy of each approved and filed emergency rule to the revisor of statutes. Failure of the ~~attorney general~~ administrative law judge or chief administrative law judge to approve or disapprove a proposed emergency rule within ten working days following the date of receipt of the proposed emergency rule and any modifications is approval.*

Sec. 25. Minnesota Statutes 1992, section 14.34, is amended to read:

14.34 [PUBLICATION OF APPROVAL.]

*As soon as practicable, notice of the ~~attorney general's~~ decision shall approval of the rule must be published in the State Register and the adopted rule shall be published in the same manner as provided for adopted rules in section 14.18.*

Sec. 26. Minnesota Statutes 1992, section 14.365, is amended to read:

14.365 [OFFICIAL RULEMAKING RECORD.]

*The agency shall maintain the official rulemaking record for every rule adopted pursuant to sections 14.05 to 14.36. The record shall be available for public inspection. The record required by this section constitutes the official and exclusive agency rulemaking record with respect to agency action on or judicial review of the rule. The record shall contain:*

- (1) copies of all publications in the State Register pertaining to the rule;*
- (2) all written petitions, requests, submissions, or comments received by the agency, or the administrative law judge, or the ~~attorney general~~ pertaining to the rule;*
- (3) the statement of need and reasonableness for the rule, if any;*
- (4) the official transcript of the hearing if one was held, or the tape recording of the hearing if a transcript was not prepared;*
- (5) the report of the administrative law judge, if any;*
- (6) the rule in the form last submitted to the administrative law judge under sections 14.14 to 14.20 or first submitted to the ~~attorney general~~ administrative law judge under sections 14.22 to 14.28 or 14.29 to 14.36;*
- (7) the ~~attorney general's~~ administrative law judge's written statement of required modifications and of approval or disapproval by the chief administrative law judge, if any;*
- (8) any documents required by applicable rules of the office of administrative hearings or of the ~~attorney general~~;*
- (9) the agency's order adopting the rule;*
- (10) the revisor's certificate approving the form of the rule; and*
- (11) a copy of the adopted rule as filed with the secretary of state.*

Sec. 27. [14.366] [PUBLIC RULEMAKING DOCKET.]

- (a) Each agency shall maintain a current, public rulemaking docket.*



(b) *The rulemaking docket must contain a listing of the precise subject matter of each possible proposed rule currently under active consideration within the agency for proposal, the name and address of agency personnel with whom persons may communicate with respect to the matter, and an indication of its present status within the agency.*

(c) *The rulemaking docket must list each pending rulemaking proceeding. A rulemaking proceeding is pending from the time it is begun, by publication of the notice of intent to solicit outside opinion, the notice of intent to adopt, or notice of hearing, to the time it is terminated, by publication of a notice of withdrawal or the rule becoming effective. For each rulemaking proceeding, the docket must indicate:*

- (1) the subject matter of the proposed rule;*
- (2) a citation to all published notices relating to the proceeding;*
- (3) where written comments on the proposed rule may be inspected;*
- (4) the time during which written comments may be made;*
- (5) the names of persons who have made written requests for a public hearing, where those requests may be inspected, and where and when the hearing will be held;*
- (6) the current status of the proposed rule and any agency determinations with respect to the rule;*
- (7) any known timetable for agency decisions or other action in the proceeding;*
- (8) the date of the rule's adoption;*
- (9) the date the rule was filed with the secretary of state; and*
- (10) when the rule will become effective.*

Sec. 28. Minnesota Statutes 1992, section 14.48, is amended to read:

**14.48 [CREATION OF OFFICE OF ADMINISTRATIVE HEARINGS; CHIEF ADMINISTRATIVE LAW JUDGE APPOINTED; OTHER ADMINISTRATIVE LAW JUDGES APPOINTED.]**

A state office of administrative hearings is created. The office shall be under the direction of a chief administrative law judge who shall be learned in the law and appointed by the governor, with the advice and consent of the senate, for a term ending on June 30 of the sixth calendar year after appointment. Senate confirmation of the chief administrative law judge shall be as provided by section 15.066. The chief administrative law judge may hear cases and shall appoint additional administrative law judges and compensation judges to serve in the office as necessary to fulfill the duties prescribed in sections 14.48 to 14.56 chapters 14 and chapter 176. The chief administrative law judge may delegate to a subordinate employee the exercise of a specified statutory power or duty as deemed advisable, subject to the control of the chief administrative law judge. Every delegation must be by written order filed with the secretary of state. All administrative law judges and compensation judges shall be in the classified service except that the chief administrative law judge shall be in the unclassified service, but may be removed only for cause. All administrative law judges shall have demonstrated knowledge of administrative procedures and shall be free of any political or economic

association that would impair their ability to function officially in a fair and objective manner. All workers' compensation judges shall be learned in the law, shall have demonstrated knowledge of workers' compensation laws and shall be free of any political or economic association that would impair their ability to function officially in a fair and objective manner.

Sec. 29. Minnesota Statutes 1992, section 14.51, is amended to read:

14.51 [PROCEDURAL RULES FOR HEARINGS.]

The chief administrative law judge shall adopt rules to govern: (1) the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings, contested case hearings, and workers' compensation hearings, and to govern the conduct of voluntary mediation sessions for rulemaking and contested cases other than those within the jurisdiction of the bureau of mediation services. ~~Temporary rulemaking authority is granted to the chief administrative law judge for the purpose of implementing Laws 1981, chapter 346, sections 2 to 6, 103 to 122, 127 to 135, and 141; and~~ (2) ~~the review of rules adopted without a public hearing and emergency rules.~~ The procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to ~~recessing and reconvening new hearings~~ the procedure to be followed when the proposed final rule of an agency is substantially different, as determined under section 14.05, subdivision 2, from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief administrative law judge to ~~determine whether or not a new hearing is required because of the issue of substantial changes~~ whether the proposed final rule of the agency is substantially different than that which was proposed or failure of the agency to meet the requirements of ~~sections 14.131 to 14.18~~ chapter 14. The rules must also provide an expedited procedure, consistent with section 14.001, clauses (1) to (5), for the adoption of substantially different rules by agencies. Upon the chief administrative law judge's own initiative or upon written request of an interested party, the chief administrative law judge may issue a subpoena for the attendance of a witness or the production of books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 30. [OFFICE OF ADMINISTRATIVE HEARINGS; REPORTS TO LCRAR.]

(a) *The office of administrative hearings shall examine and report on current agency efforts and the existing requirements of the rulemaking provisions of Minnesota Statutes, chapter 14, to determine whether all interested persons are provided with timely and appropriate notice of agency rulemaking actions. The report must include recommendations for correcting any deficiencies found.*

(b) *The office of administrative hearings shall review and report on the agency practice of negotiating withdrawal of requests for a public hearing. The report must include recommendations for correcting any deficiencies found.*

(c) In carrying out its duties under paragraphs (a) and (b), the office of administrative hearings shall consider whether current practice and procedure is consistent with Minnesota Statutes, section 14.001, clauses (1) to (5).

(d) The reports required under this section must be received by the legislative commission to review administrative rules by January 1, 1995.

Sec. 31. [LCRAR RULEMAKING REPORT.]

No later than February 15, 1994, the legislative commission to review administrative rules shall submit a report including its recommendations to the governmental operations and gaming committee of the house of representatives and the governmental operations and reform committee of the senate on the following topics:

(1) the standards and procedures for the review of proposed rules by the executive and legislative branches;

(2) the use of regulatory analyses in rules, including those in Minnesota Statutes, sections 14.11 and 14.115;

(3) criteria to be used by legislative committees for the granting of exemptions to the rulemaking requirements of chapter 14;

(4) the use and policy implications of broad delegations of rulemaking authority, including those to quasi-independent boards and commissions; and

(5) methods to improve the coordination of rulemaking in the executive branch.

The revisor of statutes, house research, and senate counsel and research shall provide any assistance requested by the legislative commission to review administrative rules.

Sec. 32. [ATTORNEY GENERAL RULEMAKING TRAINING PROGRAM.]

The office of the attorney general shall develop a comprehensive education and training program for its staff to assist them in advising agencies on administrative rulemaking issues. The office of the attorney general shall submit a report containing the details of this program to the legislative commission to review administrative rules by January 1, 1994.

Sec. 33. [APPROPRIATION.]

(a) \$100,000 is appropriated from the general fund to the legislative commission to review administrative rules to prepare the report required by section 31. This appropriation is available until spent and may be used to employ additional staff on a temporary basis to assist in the preparation of the report.

(b) \$50,000 is appropriated from the general fund to the administrative hearings account in Minnesota Statutes, section 14.51, for the purposes of section 34. The appropriation is available until spent. The approved complement of the office of administrative hearings is increased by three positions in the classified service.

Sec. 34. [TRANSFER OF RULE REVIEW AUTHORITY; REVISOR INSTRUCTION.]

(a) *The rule review duties of the office of the attorney general are transferred to the office of administrative hearings on January 1, 1994. Minnesota Statutes, section 15.039, does not apply to this transfer.*

(b) *Proposed rules for which a notice under Minnesota Statutes, section 14.22 or 14.30, has been published in the State Register before January 1, 1994, shall continue to be reviewed by the attorney general under the rule review authority transferred by this act and are governed by Minnesota Statutes 1992, chapter 14, and Minnesota Rules, chapter 2010.*

(c) *Except as otherwise provided in paragraph (b), Minnesota Rules, chapter 2010, shall be enforced by the office of administrative hearings until it is amended or repealed by that office.*

(d) *The revisor of statutes shall change the terms "office of attorney general," "attorney general," or similar terms to "office of administrative hearings," "chief administrative law judge," "administrative law judge," or similar terms in Minnesota Rules, chapter 2010, to reflect the intent of the legislature to transfer the attorney general's rule review functions in the manner provided in this act.*

Sec. 35. [REPEALER.]

*Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225, are repealed.*

Sec. 36. [EFFECTIVE DATE.]

*Section 1 is effective January 1, 1995. Section 9 applies to laws authorizing or requiring rulemaking that are enacted after January 1, 1994. The rulemaking authority granted in section 29 is effective the day following final enactment. Sections 30 to 33 are effective July 1, 1993. The remainder of the act is effective January 1, 1994."*

Delete the title and insert:

*"A bill for an act relating to state government; administrative rulemaking; changing the membership and duties of the LCRAR; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; requiring rule notes; regulating grants of rulemaking authority, notices of intent to solicit outside opinion, and public hearing requirements; authorizing the governor to disapprove rules adopted after public hearing; eliminating the requirement that agencies review their rules and consider methods to reduce their impact on small business; making technical changes; requiring reports; appropriating money; amending Minnesota Statutes 1992, sections 3.841; 14.05, subdivision 2, and by adding a subdivision; 14.08; 14.09; 14.10; 14.115, subdivision 5; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.24; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.31; 14.32; 14.33; 14.34; 14.365; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapters 3; and 14; repealing Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225."*

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. 1325 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.
1325	1387				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1325 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1325 and insert the language after the enacting clause of S.F. No. 1387, the first engrossment; further, delete the title of H.F. No. 1325 and insert the title of S.F. No. 1387, the first engrossment.

And when so amended H.F. No. 1325 will be identical to S.F. No. 1387, and further recommends that H.F. No. 1325 be given its second reading and substituted for S.F. No. 1387, 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. 1650 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.
1650	1557				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1650 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1650 and insert the language after the enacting clause of S.F. No. 1557; further, delete the title of H.F. No. 1650 and insert the title of S.F. No. 1557.

And when so amended H.F. No. 1650 will be identical to S.F. No. 1557, and further recommends that H.F. No. 1650 be given its second reading and substituted for S.F. No. 1557, 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. 1013, 1260, 980, 937, 902, 76, 1368 and 1466 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 469, 113, 1325 and 1650 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Betzold moved that the name of Mr. Solon be added as a co-author to S.F. No. 840. The motion prevailed.

Mr. Riveness moved that the name of Mr. Belanger be added as a co-author to S.F. No. 937. The motion prevailed.

Mr. Morse moved that the name of Mr. Price be added as a co-author to S.F. No. 1570. The motion prevailed.

Mr. Mondale moved that S.F. No. 1169 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Metropolitan and Local Government. The motion prevailed.

Ms. Berglin moved that S.F. No. 781 be withdrawn from the Committee on Finance and re-referred to the Committee on Health Care. The motion prevailed.

**CALENDAR**

S.F. No. 270: A bill for an act relating to elections; changing certain margins requiring automatic recounts; amending Minnesota Statutes 1992, section 204C.35, 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 60 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Kelly	McGowan	Reichgott
Anderson	Day	Kiscaden	Metzen	Riveness
Beckman	Dille	Knutson	Moe, R. D.	Robertson
Belanger	Finn	Krentz	Mondale	Runbeck
Benson, D.D.	Flynn	Kroening	Morse	Sams
Benson, J.E.	Frederickson	Laidig	Neuville	Samuelson
Berg	Hanson	Langseth	Oliver	Solon
Berglin	Hottinger	Larson	Pariseau	Spear
Bertram	Johnson, D.E.	Lesewski	Piper	Stevens
Betzold	Johnson, D.J.	Lessard	Pogemiller	Stumpf
Chandler	Johnson, J.B.	Luther	Price	Terwilliger
Chmielewski	Johnston	Marty	Ranum	Vickerman

So the bill passed and its title was agreed to.

S.F. No. 431: A bill for an act relating to public administration; providing that government records may be stored on optical imaging systems and retained in that format only; amending Minnesota Statutes 1992, sections 15.17, subdivision 1; and 138.17, 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	Day	Kiscaden	Moe, R.D.	Riveness
Anderson	Dille	Knutson	Mondale	Robertson
Beckman	Finn	Krentz	Morse	Runbeck
Belanger	Flynn	Kroening	Neuville	Sams
Benson, D.D.	Frederickson	Laidig	Oliver	Samuelson
Benson, J.E.	Hanson	Langseth	Olson	Solon
Berg	Hottinger	Larson	Pappas	Spear
Berglin	Janezich	Lesewski	Pariseau	Stevens
Bertram	Johnson, D.E.	Lessard	Piper	Stumpf
Betzold	Johnson, D.J.	Luther	Pogemiller	Terwilliger
Chandler	Johnson, J.B.	Marty	Price	Vickerman
Chmielewski	Johnston	McGowan	Ranum	Wiener
Cohen	Kelly	Metzen	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 700: A bill for an act relating to horse racing; permitting two class A licenses within the seven-county metropolitan area; permitting the state fair to apply for a pari-mutuel horse racing license; permitting distributions from the breeders' fund for Minnesota-bred horses racing in other racing jurisdictions; amending Minnesota Statutes 1992, sections 240.06, subdivisions 5 and 5a; 240.09, subdivision 1; and 240.18, 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 40 and nays 25, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Metzen	Runbeck
Beckman	Dille	Kroening	Morse	Samuelson
Belanger	Flynn	Laidig	Novak	Solon
Benson, D.D.	Hanson	Langseth	Oliver	Stevens
Berg	Hottinger	Larson	Olson	Stumpf
Berglin	Janezich	Lesewski	Pariseau	Terwilliger
Bertram	Johnson, D.E.	Lessard	Piper	Vickerman
Cohen	Kelly	McGowan	Price	Wiener

Those who voted in the negative were:

Anderson	Frederickson	Krentz	Murphy	Reichgott
Benson, J.E.	Johnson, D.J.	Luther	Neuville	Riveness
Betzold	Johnson, J.B.	Marty	Pappas	Robertson
Chandler	Johnston	Moe, R.D.	Pogemiller	Sams
Finn	Kiscaden	Mondale	Ranum	Spear

So the bill passed and its title was agreed to.

S.F. No. 250: A bill for an act relating to cities; limiting the service of charter commission members; fixing procedures for charter amendments; amending Minnesota Statutes 1992, sections 410.05, subdivision 2; and 410.12, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Moe, R.D.	Ranum
Anderson	Dille	Knutson	Mondale	Reichgott
Beckman	Finn	Krentz	Morse	Riveness
Belanger	Flynn	Kroening	Murphy	Robertson
Benson, D.D.	Frederickson	Laidig	Neuville	Runbeck
Benson, J.E.	Hanson	Langseth	Novak	Sams
Berg	Hottinger	Larson	Oliver	Samuelson
Berglin	Janezich	Lesewski	Olson	Spear
Bertram	Johnson, D.E.	Lessard	Pappas	Stevens
Betzold	Johnson, D.J.	Luther	Pariseau	Stumpf
Chandler	Johnson, J.B.	Marty	Piper	Terwilliger
Chmielewski	Johnston	McGowan	Pogemiller	Vickerman
Cohen	Kelly	Metzen	Price	Wiener

So the bill passed and its title was agreed to.

H.F. No. 111: A bill for an act relating to highways; designating the B. E. Grotum memorial highway in Jackson county; amending Minnesota Statutes 1992, 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 61 and nays 5, as follows:

Those who voted in the affirmative were:

Adkins	Day	Krentz	Murphy	Sams
Anderson	Dille	Kroening	Neuville	Samuelson
Beckman	Finn	Laidig	Novak	Sofon
Belanger	Frederickson	Langseth	Oliver	Spear
Benson, D.D.	Hanson	Larson	Olson	Stevens
Benson, J.E.	Janezich	Lesewski	Pappas	Stumpf
Berg	Johnson, D.E.	Lessard	Pariseau	Terwilliger
Berglin	Johnson, D.J.	Luther	Piper	Vickerman
Bertram	Johnson, J.B.	McGowan	Pogemiller	Wiener
Betzold	Johnston	Metzen	Price	
Chandler	Kelly	Moe, R.D.	Riveness	
Chmielewski	Kiscaden	Mondale	Robertson	
Cohen	Knutson	Morse	Runbeck	

Those who voted in the negative were:

Flynn	Hottinger	Marty	Ranum	Reichgott
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So the bill passed and its title was agreed to.

H.F. No. 399: A bill for an act relating to commerce; unclaimed property; regulating certain notices and reports; amending Minnesota Statutes 1992, sections 345.41; and 345.42, subdivisions 2 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 66 and nays 0, as follows:

Those who voted in the affirmative were:



Adkins	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 174: A bill for an act relating to commerce; regulating facsimile transmission of unsolicited advertising materials; providing penalties and remedies; 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kiscaden	Moe, R.D.	Ranum
Anderson	Dille	Knutson	Mondale	Reichgott
Beckman	Finn	Krentz	Morse	Riveness
Belanger	Flynn	Kroening	Murphy	Robertson
Benson, D.D.	Frederickson	Laidig	Neuville	Runbeck
Benson, J.E.	Hanson	Langseth	Novak	Sams
Berg	Hottinger	Larson	Oliver	Solon
Berglin	Janezich	Lesewski	Olson	Spear
Bertram	Johnson, D.E.	Lessard	Pappas	Stevens
Betzold	Johnson, D.J.	Luther	Pariseau	Stumpf
Chandler	Johnson, J.B.	Marty	Piper	Terwilliger
Chmielewski	Johnston	McGowan	Pogemiller	Vickerman
Cohen	Kelly	Metzen	Price	Wiener

So the bill passed and its title was agreed to.

S.F. No. 748: A bill for an act relating to human services; clarifying day training and habilitation transportation exemptions; clarifying that counties may contract with hospitals to provide outpatient mental health services; clarifying the definition of crisis assistance; increasing the allowable duration of unlicensed, single-family respite care; clarifying the definition of related condition and application procedures for family support grants; correcting references to case management and hospital appeals; clarifying eligibility for case management services; clarifying nursing facility rate adjustments; clarifying the calculation and allowing 12-month plans for special needs exceptions; clarifying requirements for health care provider participation; clarifying voluntary spend-down procedures; amending Minnesota Statutes 1992, sections 174.30, subdivision 1; 245.470, subdivision 1; 245.4871, subdivision 9a; 245.4876, subdivision 2; 245.488, subdivision 1; 245A.03, subdivision 2; 252.27, subdivisions 1 and 1a; 252.32, subdivision 1a; 256.045, subdivision 4a; 256.9686, subdivision 6; 256.9695, subdivisions 1 and 3; 256B.056, subdivision 5; 256B.0644; 256B.092, subdivisions 1, 1b,

lg. 7, and 8a; 256B.431, subdivision 10; 256B.48, subdivision 3a; 256B.501, subdivision 8; and 609.115, subdivision 9; repealing Minnesota Statutes 1992, section 256B.0629.

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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 498: A bill for an act relating to agriculture; repealing the hazardous substance labeling act; amending Minnesota Statutes 1992, section 325F.19, subdivision 7; repealing Minnesota Statutes 1992, sections 24.32; 24.33; 24.34; 24.35; 24.36; 24.37; 24.38; 24.39; 24.40; 24.41; and 24.42.

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	Day	Knutson	Mondale	Riveness
Anderson	Dille	Krentz	Morse	Robertson
Beckman	Finn	Kroening	Murphy	Runbeck
Belanger	Frederickson	Laidig	Neuville	Sams
Benson, D.D.	Hanson	Langseth	Novak	Samuelson
Benson, J.E.	Hottinger	Larson	Oliver	Solon
Berg	Janezich	Lesewski	Olson	Spear
Berglin	Johnson, D.E.	Lessard	Pariseau	Stevens
Bertram	Johnson, D.J.	Luther	Piper	Stumpf
Betzold	Johnson, J.B.	Marty	Pogemiller	Terwilliger
Chandler	Johnston	McGowan	Price	Vickerman
Chmielewski	Kelly	Metzen	Ranum	Wiener
Cohen	Kiscaden	Moe, R.D.	Reichgott	

Ms. Flynn voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 512: A bill for an act relating to telecommunications; providing for regulation of telecommunications carriers; limiting discriminatory practices, services, rates, and pricing; providing for investigation, hearings, and appeals regarding telecommunications services; delineating telecommunications practices allowed; providing penalties and remedies; amending Minnesota Statutes

1992, sections 237.01, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1992, section 237.59, 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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Mondale	Reichgott
Anderson	Dille	Krentz	Morse	Riveness
Beckman	Finn	Kroening	Murphy	Robertson
Belanger	Flynn	Laidig	Neuville	Runbeck
Benson, D.D.	Frederickson	Langseth	Novak	Sams
Benson, J.E.	Hottinger	Larson	Oliver	Samuelson
Berg	Janezich	Lesewski	Olson	Solon
Berglin	Johnson, D.E.	Lessard	Pappas	Spear
Bertram	Johnson, D.J.	Luther	Pariseau	Stevens
Betzold	Johnson, J.B.	Marty	Piper	Stumpf
Chandler	Johnston	McGowan	Pogemiller	Terwilliger
Chmielewski	Kelly	Metzen	Price	Vickerman
Cohen	Kiscaden	Moe, R.D.	Ranum	Wiener

So the bill passed and its title was agreed to.

H.F. No. 254: A bill for an act relating to public bodies; providing for the place of residence of members; amending Minnesota Statutes 1992, section 375.025, 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	Dille	Kroening	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Flynn	Langseth	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Janezich	Luther	Pariseau	Stumpf
Berglin	Johnson, D.E.	Marty	Piper	Terwilliger
Bertram	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Betzold	Johnson, J.B.	Merriam	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	
Day	Krentz	Morse	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 589: A bill for an act relating to the St. Anthony Falls heritage board; permitting the mayor of Minneapolis and the chair of the Hennepin board of commissioners to designate a representative to the board; amending Minnesota Statutes 1992, section 138.763, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Murphy	Runbeck
Anderson	Flynn	Laidig	Neuville	Sams
Beckman	Frederickson	Langseth	Novak	Samuelson
Belanger	Hanson	Larson	Oliver	Solon
Benson, D.D.	Hottinger	Lesewski	Olson	Spear
Benson, J.E.	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnson	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	
Dille	Krentz	Morse	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 485: A bill for an act relating to the city of Faribault; providing for the civil service status of certain officers.

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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnson	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 394: A bill for an act relating to financial institutions; permitting contracts between financial institutions to accept deposits and honor withdrawals; proposing coding for new law in Minnesota Statutes, chapter 47.

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	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 663: A bill for an act relating to elections; authorizing the filing officer to keep from the ballot the name of a person who is a convicted felon, under guardianship, or found incompetent; amending Minnesota Statutes 1992, section 204B.10, 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	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 582: A bill for an act relating to motor vehicles; extending validity period of nonresident temporary vehicle permits; amending Minnesota Statutes 1992, section 168.091, 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	Betzold	Frederickson	Kelly	Lessard
Anderson	Chandler	Hanson	Kiscaden	Luther
Beckman	Chmielewski	Hottinger	Knutson	Marty
Belanger	Cohen	Janezich	Krentz	McGowan
Benson, D.D.	Day	Johnson, D.E.	Kroening	Merriam
Benson, J.E.	Dille	Johnson, D.J.	Laidig	Metzen
Berglin	Finn	Johnson, J.B.	Larson	Moe, R.D.
Bertram	Flynn	Johnston	Lesewski	Mondale

Morse	Olson	Price	Runbeck	Stevens
Murphy	Pappas	Ranum	Sams	Stumpf
Neuville	Pariseau	Reichgott	Samuelson	Terwilliger
Novak	Piper	Riveness	Solon	Vickerman
Oliver	Pogemiller	Robertson	Spear	Wiener

So the bill passed and its title was agreed to.

S.F. No. 361: A bill for an act relating to public safety; extending existence of Minnesota advisory council on fire protection systems; amending Minnesota Statutes 1992, section 299M.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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnson	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 409: A bill for an act relating to retirement; Minneapolis employees retirement fund; amending Minnesota Statutes 1992, sections 422A.05, subdivisions 1 and 2a; 422A.08, subdivision 5, and by adding a subdivision; and 422A.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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Solon
Benson, D.D.	Hanson	Larson	Oliver	Spear
Benson, J.E.	Hottinger	Lesewski	Olson	Stevens
Berg	Janezich	Lessard	Pappas	Stumpf
Berglin	Johnson, D.E.	Luther	Pariseau	Terwilliger
Bertram	Johnson, D.J.	Marty	Piper	Vickerman
Betzold	Johnson, J.B.	McGowan	Pogemiller	Wiener
Chandler	Johnson	Merriam	Price	
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 629: A bill for an act relating to public employment; permitting interest arbitration on retired public employee group insurance coverage for units of essential employees; amending Minnesota Statutes 1992, section 179A.16, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Janezich	Luther	Pariseau	Stumpf
Berglin	Johnson, D.E.	Marty	Piper	Terwilliger
Bertram	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Betzold	Johnson, J.B.	Merriam	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 406: A bill for an act relating to local government; authorizing a local unit of government which self-insures health benefits for employees to enroll employees of the exclusive representative of its employees in those plans; amending Minnesota Statutes 1992, section 471.617, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Murphy	Runbeck
Anderson	Flynn	Laidig	Neuville	Sams
Beckman	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	
Dille	Krentz	Morse	Robertson	

So the bill passed and its title was agreed to.

H.F. No. 552: A bill for an act relating to real estate; modifying provisions for voluntary foreclosure of mortgages; amending Minnesota Statutes 1992, sections 580.23, subdivision 1; and 582.32, subdivisions 1, 2, 3, 5, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1992, section 582.32, subdivisions 4, 7, and 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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 452: A bill for an act relating to civil commitment; clarifying time limitations for appeal under the civil commitment act; amending Minnesota Statutes 1992, section 253B.23, 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 66 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Kroening	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Flynn	Langseth	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Janezich	Luther	Pariseau	Stumpf
Berglin	Johnson, D.E.	Marty	Piper	Terwilliger
Bertram	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Betzold	Johnson, J.B.	Merriam	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	
Day	Krentz	Morse	Robertson	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Kelly in the chair.

After some time spent therein, the committee arose, and Mr. Kelly reported that the committee had considered the following:

S.F. Nos. 64, 490, 702, 483 and H.F. No. 421, which the committee recommends to pass.



S.F. No. 334 which the committee reports progress, subject to the following motion:

Mr. Vickerman moved to amend S.F. No. 334 as follows:

Page 1, line 23, after "(2)" insert "*the owner presents written evidence that*" and delete "was" and insert "*had been reported to a law enforcement agency as*"

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 605 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 605: A bill for an act relating to the veterans homes board; requiring the board to apply for certain federal funding.

Mr. Samuelson moved to amend S.F. No. 605 as follows:

Page 1, line 6, delete "1" and insert "15"

Page 1, after line 10, insert:

"Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 605 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	Dille	Krentz	Murphy	Runbeck
Anderson	Finn	Kroening	Neuville	Sams
Beckman	Flynn	Laidig	Oliver	Samuelson
Belanger	Frederickson	Langseth	Olson	Spear
Benson, J.E.	Hanson	Larson	Pappas	Stevens
Berg	Hottinger	Lesewski	Pariseau	Stumpf
Berglin	Janezich	Luther	Piper	Terwilliger
Bertram	Johnson, D.E.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Moe, R.D.	Reichgott	
Cohen	Kiscaden	Mondale	Riveness	
Day	Knutson	Morse	Robertson	

So the bill, as amended, was passed and its title was agreed to.

Without objection, the Senate reverted to the Orders of Business of Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

### REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 848: A bill for an act relating to natural resources; mineral leasing; environmental research and protection; exploratory mineral borings and data; lean ore stockpile removal; oil and gas well spacing, pooling, and unitization; amending Minnesota Statutes 1992, sections 92.50, subdivision 1; 93.001; 93.002, subdivisions 1 and 3; 93.25; 93.46, by adding a subdivision; 93.481, subdivisions 1 and 2; 103I.113; 103I.601, subdivision 1; 103I.605, subdivision 4; and 282.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 93:

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete line 3 and insert:

“Subd. 2. [~~LEASES LEASE REQUIREMENTS.~~] At any time prior to the expiration of”

Page 3, line 20, reinstate the stricken “3” and delete “2”

Page 8, line 35, delete “, *except that*” and insert a period

Pages 12 and 13, delete section 4

Amend the title as follows:

Page 1, delete line 5

Page 1, line 10, delete the third semicolon and insert a period

Page 1, delete lines 11 and 12

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 re-referred

S.F. No. 1: A bill for an act relating to state government; abolishing the pollution control agency, the department of natural resources, the environmental quality board, the board of water and soil resources, the office of waste management, the harmful substances compensation board, the petroleum tank release compensation board, the agricultural chemical response compensation board; abolishing certain powers and duties of the departments of agriculture, health, public service, trade and economic development, and transportation and the metropolitan council; establishing a task force; requiring establishment of an employee participation committee before agency restructuring.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 30, delete "Reorganization must" and insert "The governmental structure recommended by the task force established in section 3 must be designed to"

Page 2, line 33, delete "three" and insert "four" in both places

Page 3, line 5, delete "and" and insert:

"(3) a group consisting of 15 persons representing local and regional governmental units, including cities, counties, metropolitan and regional agencies, soil and water conservation districts, watershed districts, and watershed management organizations, appointed in equal numbers by the governor, the majority leader of the senate, and the speaker of the house; and"

Page 3, lines 6 and 23, delete "(3)" and insert "(4)"

Page 3, line 9, after "of" insert "rural"

Page 3, line 30, delete "changing" and insert "recommending changes in"

Page 3, line 35, delete "affected by" and insert "listed in"

Page 3, line 36, before "Each" insert "The facilitators shall meet periodically with a joint committee consisting of five members of the senate selected by the majority leader of the senate and five members of the house of representatives selected by the speaker of the house. At the meetings, the facilitators shall update the members of the joint committee on the progress of the groups' discussions and emerging proposals."

Page 4, line 7, delete "and" and insert:

"(3) two representatives from the group established by subdivision 1, clause (3); and"

Page 4, lines 8 and 9, delete "(3)" and insert "(4)"

Page 4, line 13, delete "affected by" and insert "listed in"

Page 4, line 15, delete everything after the period

Page 4, delete lines 16 to 20

Page 4, line 29, delete "in"

Page 4, line 30, delete everything before the comma

Page 5, line 14, delete "ABOLITION OF" and after "DUTIES" insert "TO BE STUDIED BY TASK FORCE"

Page 5, line 15, before "The" insert "The governmental structure recommended by the task force established in section 3 must provide for the performance of the functions and services currently performed by the following agencies:"

Page 5, lines 20 and 22, delete "are abolished"

Page 5, line 21, delete "(a)" and insert "The governmental structure recommended by the task force established in section 3 must provide for the performance of:

(1)"

Page 5, line 23, delete "(1)" and insert "(i)"

Page 5, line 26, delete "(2)" and insert "(ii)"

Page 5, line 28, delete "(3)" and insert "(iii)"

Page 5, line 30, delete "(4)" and insert "(iv)"

Page 5, line 32, delete "(5)" and insert "(v)"

Page 5, line 34, delete "(6)" and insert "(vi)"

Page 5, line 36, delete "(7)" and insert "(vii)"

Page 6, line 1, delete "and"

Page 6, line 2, delete "(8)" and insert "(viii)"

Page 6, line 3, delete the period and insert "; and

*(ix) conservation of wildflowers under Minnesota Statutes, section 17.23;"*

Page 6, line 4, delete "(b)" and insert "(2)"

Page 6, lines 5 and 29, delete "are abolished"

Page 6, line 6, delete "(1)" and insert "(i)"

Page 6, line 8, delete "(2)" and insert "(ii)"

Page 6, line 10, delete "(3)" and insert "(iii)"

Page 6, line 12, delete "(4)" and insert "(iv)"

Page 6, line 14, delete "(5)" and insert "(v)"

Page 6, line 16, delete "(6)" and insert "(vi)"

Page 6, line 18, delete "(7)" and insert "(vii)"

Page 6, line 20, delete "(8)" and insert "(viii)"

Page 6, line 22, delete "(9)" and insert "(ix)"

Page 6, line 24, delete "(10)" and insert "(x)"

Page 6, line 26, delete "(11)" and insert "(xi)"

Page 6, line 27, delete the period and insert a semicolon

Page 6, line 28, delete "(c)" and insert "(3)"

Page 6, line 30, delete "(1)" and insert "(i)"

Page 6, line 32, delete "(2)" and insert "(ii)"

Page 6, line 33, delete "and"

Page 6, line 34, delete "(3)" and insert "(iii)"

Page 6, line 35, delete the period and insert "; and

*(iv) the public facilities authority under Minnesota Statutes, chapter 446A;"*

Page 6, line 36, delete "(d)" and insert "(4)"

Page 7, lines 1 and 5, delete "*are abolished*"

Page 7, line 3, delete the period and insert a semicolon

Page 7, line 4, delete "(e)" and insert "(5)"

Page 7, line 6, delete "(1)" and insert "(i)"

Page 7, line 8, delete "(2)" and insert "(ii)"

Page 7, line 9, delete the period and insert "; and"

Page 7, line 10, delete "(f)" and insert "(6)"

Page 7, line 12, delete ", *are abolished*"

Page 7, delete lines 13 to 16

Pages 7 and 8, delete section 6 and insert:

"Sec. 6. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete lines 3 to 11

Page 1, line 12, delete everything before "establishing" and after "force" insert "to recommend a governmental structure for environmental and natural resource functions and services"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

H.F. No. 9: A bill for an act relating to insurance; health; requiring coverage for elimination or treatment of port-wine stains; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, after "62A.011" insert "*that provide coverage to a Minnesota resident*"

Page 1, line 13, after "*person*" insert "*who is a Minnesota resident*" and after the period, insert "*No health carrier may reduce or eliminate coverage due to this requirement.*"

*Subd. 3. [RATE INCREASES PROHIBITED.] The commissioner of commerce shall not approve any rate increases due to coverage required under subdivision 2. No health maintenance organization, as defined in chapter 62D, shall increase coverage required under subdivision 2.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 240: A bill for an act relating to health; changing the membership requirements of the board of nursing; amending Minnesota Statutes 1992, section 148.181, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 975: A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, and tank installer training and certification requirements; amending Minnesota Statutes 1992, section 116.47.

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 1992, section 115.03, is amended by adding a subdivision to read:

*Subd. 8. [EXEMPTIONS FOR ABOVEGROUND STORAGE TANKS.] The commissioner may not adopt rules under this section that regulate the use of the following aboveground storage tanks:*

*(1) farm or residential tanks of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes;*

*(2) tanks of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored;*

*(3) tanks used for storing liquids that are gaseous at atmospheric temperature and pressure; or*

*(4) tanks used for storing agricultural chemicals regulated under chapter 18B, 18C, or 18D.*

Sec. 2. Minnesota Statutes 1992, section 116.47, is amended to read:

116.47 [EXEMPTIONS.]

Sections 116.48, 116.49, and 116.491 do not apply to:

*(1) farm or residential tanks of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes;*

*(2) tanks of 1,100 gallons or less capacity used for storing heating oil for consumptive use on the premises where stored;*

*(2) (3) pipeline facilities, including gathering lines, regulated under the Natural Gas Pipeline Safety Act of 1968, United States Code, title 49, chapter 24, or the Hazardous Liquid Pipeline Safety Act of 1979, United States Code, title 49, chapter 29;*

*(3) (4) surface impoundments, pits, ponds, or lagoons;*

*(4) (5) storm water or waste water collection systems;*

*(5) (6) flow-through process tanks;*

(6) (7) tanks located in an underground area, including basements, cellars, mineworkings, drifts, shafts, or tunnels, if the storage tank is located upon or above the surface of the floor; or

(7) (8) septic tanks;

(9) tanks used for storing liquids that are gaseous at atmospheric temperature and pressure; or

(10) tanks used for storing agricultural chemicals regulated under chapter 18B, 18C, or 18D.

Sec. 3. [EXEMPTION FROM EXISTING RULES.]

*Tanks described in section 1 are exempt from existing rules adopted under Minnesota Statutes, section 115.03, that regulate the use of aboveground storage tanks.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Delete the title and insert:

"A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, tank installer training and certification, and other requirements; amending Minnesota Statutes 1992, sections 115.03, by adding a subdivision; and 116.47."

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. 886: A bill for an act relating to natural resources; regulating timber sales; increasing the value of sales requiring executive council approval and maximum lot value on auction sales; permitting the modification of timber permits damaged by natural cause; amending Minnesota Statutes 1992, section 90.031, subdivision 4; 90.041, by adding a subdivision; 90.101, subdivision 1; 90.121; and 90.201, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, delete "*Notwithstanding any law to the contrary,*"

Page 1, line 23, delete "*timber*" and delete "*which*" and insert "*timber that*"

Page 1, line 24, delete "*the*"

Page 1, line 25, after "*notice*" insert "*that*" and after "*when*" insert "*there is a high risk that*"

Page 1, line 26, delete "*is at high risk*" and insert "*would be lost*"

Page 4, line 7, delete "*When trust lands are involved,*"

Page 4, line 8, delete "*include provisions that*" and after "*ensure*" insert "*that*"

Page 4, line 9, before "trust" insert "state and the"

Page 4, line 10, delete everything after "6." and insert "[MODIFICATION OF TIMBER PERMITS.]"

Page 4, delete lines 11 to 13 and insert:

*"The commissioner may modify a"*

Amend the title as follows:

Page 1, line 9, delete "subdivisions" and insert "a subdivision"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1262: A bill for an act relating to the metropolitan transit commission; authorizing the commission to appoint peace officers and establish a law enforcement agency; amending Minnesota Statutes 1992, sections 473.405, by adding subdivisions; and 626.84, subdivision 1; repealing Minnesota Statutes 1992, section 629.40, 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. [473.407] [METROPOLITAN TRANSIT COMMISSION POLICE.]**

*Subdivision 1. [AUTHORIZATION.] The transit commission may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (h), known as the metropolitan transit commission police, to police its property and routes and to make arrests under sections 629.30 and 629.34. The jurisdiction of the law enforcement agency is limited to offenses relating to metropolitan transit commission property, equipment, employees, and passengers.*

*Subd. 2. [LIMITATIONS.] The initial processing of a person arrested by the transit commission police for an offense within the agency's jurisdiction is the responsibility of the metropolitan transit commission police unless otherwise directed by the law enforcement agency with primary jurisdiction. A subsequent investigation is the responsibility of the law enforcement agency of the jurisdiction in which the crime was committed. The transit commission police are not authorized to apply for a search warrant as prescribed in section 626.05.*

*Subd. 3. [POLICIES.] Before the metropolitan transit commission begins to operate its law enforcement agency within a city or county with an existing law enforcement agency, the metropolitan transit commission police shall develop, in conjunction with the law enforcement agencies, written policies that describe how the issues of joint jurisdiction will be resolved. The policies must also address the operation of emergency vehicles by transit commission police responding to commission emergencies. These policies must be filed with the board of peace officer standards and training by August 1, 1993. Revisions of any of these policies must be filed with the board within ten days*



of the effective date of the revision. The metropolitan transit commission shall train all of its peace officers regarding the application of these policies.

*Subd. 4. [CHIEF LAW ENFORCEMENT OFFICER.] The commission shall appoint a peace officer employed full time to be the chief law enforcement officer and to be responsible for the management of the law enforcement agency. The person shall possess the necessary police and management experience and have the title of chief of metropolitan transit commission police services. All other police management and supervisory personnel must be employed full time by the commission. Supervisory personnel must be on duty and available any time transit commission police are on duty. The commission may not hire part-time peace officers as defined in section 626.84, subdivision 1, paragraph (f), except that the commission may appoint peace officers to work on a part-time basis not to exceed 30 full-time equivalents.*

*Subd. 5. [EMERGENCIES.] (a) The commission shall ensure that all emergency vehicles used by transit commission police are equipped with radios capable of receiving and transmitting on the same frequencies utilized by the law enforcement agencies that have primary jurisdiction.*

*(b) When the transit commission police receive an emergency call they shall notify the public safety agency with primary jurisdiction and coordinate the appropriate response.*

*(c) Transit commission police officers shall notify the primary jurisdictions of their response to any emergency.*

*Subd. 6. [COMPLIANCE.] Except as otherwise provided in this section, the transit commission police shall comply with all statutes and administrative rules relating to the operation and management of a law enforcement agency.*

**Sec. 2. [INSTRUCTION TO REVISOR.]**

*The revisor shall substitute the reference "473.407" for the reference "629.40, subdivision 5" in section 352.01, subdivision 2b, clause (34).*

**Sec. 3. [REPEALER.]**

*Minnesota Statutes 1992, section 629.40, subdivision 5, is repealed.*

**Sec. 4. [APPLICATION.]**

*This act applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 6, delete everything before the semicolon and insert "proposing coding for new law in Minnesota Statutes, chapter 473"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 827: A bill for an act relating to racketeering; expanding the RICO law to include gambling crimes; authorizing the division of gambling enforcement to seize and forfeit property under the criminal forfeiture law;

expanding the definition of criminal racketeering acts and of a pattern of racketeering activity; amending Minnesota Statutes 1992, sections 609.531, subdivision 1; 609.76; and 609.902, subdivisions 4 and 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 5, reinstate the stricken language

Page 3, line 6, reinstate the stricken "sells, offers for sale, or otherwise provides, in whole or"

Page 3, delete line 7 and insert "*in part thereof, any fewer than five gambling device including those devices as defined in*"

Page 3, line 8, reinstate the stricken language

Page 3, line 9, reinstate the stricken "(6)"

Page 3, line 12, reinstate the stricken "(7)" and delete "(6)"

Page 3, line 18, delete "*manufacturers*" and insert "*manufactures*"

Page 3, line 20, delete "*any*" and insert "*five or more*" and delete "*device*" and insert "*devices*" and delete "*sections*" and insert "*section*"

Page 3, line 21, delete everything before "609.75" and before the period, insert "*, more than one video game of chance*"

Page 3, line 35, after the second semicolon, insert "609.76;"

Page 4, delete section 4

Page 4, line 19, delete "5" and insert "4"

Page 4, line 20, delete "4" and insert "3" and delete "*August*" and insert "*October*"

Amend the title as follows:

Page 1, line 6, delete everything after "acts"

Page 1, line 7, delete everything before the semicolon

Page 1, line 9, delete "subdivisions 4 and 5" and insert "subdivision 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 253: A bill for an act relating to occupations and professions; clarifying the training requirements of private detectives and security guards; amending Minnesota Statutes 1992, sections 326.336, subdivision 2; and 326.3361, subdivisions 1, 2, and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1; delete section 1

Page 2, line 17; after "certified" insert "*as having completed training*"

Page 2, line 29, strike "standards for" and after "certification" insert "by the board" and before "a" insert "completion of certified training for"

Page 2, line 31, strike ", by the board,"

Page 3, line 1, strike "employees" and insert "individuals"

Page 3, line 2, strike "employee" and insert "individual"

Page 3, line 7, strike "CERTIFICATION" and insert "CERTIFIED TRAINING"

Page 3, line 12, strike "The"

Page 3, line 13, strike "identification card"

Page 3, line 14, delete the new language

Page 3, lines 15 to 18, delete the new language and strike the old language

Page 3, line 19, strike "employee shall have the card in" and strike "possession while"

Page 3, lines 20 and 21, delete the new language

Page 3, line 22, delete "defined in section 326.338" and strike the period

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "of" and insert "for"

Page 1, line 5, delete "sections 326.336, subdivision 2; and" and insert "section"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 1036: A bill for an act relating to commerce; trade practices; regulating transfers and sales of recordings; prescribing penalties; amending Minnesota Statutes 1992, sections 325E.17; 325E.18; and 325E.19; proposing coding for new law in Minnesota Statutes, chapter 325E; repealing Minnesota Statutes 1992, section 325E.20.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, delete "325E.203" and insert "325E.201"

Page 2, line 7, reinstate the stricken "sounds"

Page 2, line 10, delete "recordings" and insert "or images from one recording to another recording"

Page 2, line 36, delete "325E.203" and insert "325E.201"

Page 3, line 9, delete "sections 325E.169 to 325E.203" and insert "section 325E.17 or 325E.18"

Pages 3 and 4, delete sections 6 and 7 and insert:

“Sec. 6. Minnesota Statutes 1992, 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, the department of natural resources division of enforcement, the University of Minnesota police department, 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 325E.17; 325E.18; 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, 5, 8, and 12; 609.687; 609.821; 609.825; 609.86; 609.88; 609.89; 609.893; 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.”

Page 4, line 3, delete “8” and insert “7”

Page 4, after line 4, insert:

“Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective October 1, 1993, and apply to crimes committed on or after that date.”*

Amend the title as follows:

Page 1, line 5, delete “and” and after “325E.19;” insert “and 609.531, subdivision 1;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 1, 975, 886, 1262, 827, 253 and 1036 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. No. 9 was read the second time.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Janezich introduced—

S.F. No. 1573: A bill for an act relating to the attorney general; directing the attorney general to initiate an action in federal court to determine the validity of a federal law relating to wagering on sports events.

Referred to the Committee on Governmental Operations and Reform.

Mr. Chmielewski introduced—

S.F. No. 1574: A bill for an act relating to state forests; granting counties a 50 percent share of state forest income; appropriating funds for payment; affirming counties rescission of agreements for forest land management; amending Minnesota Statutes 1992, section 89.035; proposing coding for new law in Minnesota Statutes, chapter 89.

Referred to the Committee on Environment and Natural Resources.

Mr. Lessard introduced—

S.F. No. 1575: A bill for an act relating to state lands; authorizing a sale and conveyance in Itasca county to resolve an inadvertent trespass.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 1576: A bill for an act relating to civil actions; regulating the award of attorneys' fees; amending Minnesota Statutes 1992, section 549.01; proposing coding for new law in Minnesota Statutes, chapter 549.

Referred to the Committee on Judiciary.

Mr. Price introduced—

S.F. No. 1577: A bill for an act relating to the environment; regulating packaging; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; regulating disposable packaging; requiring use of reusable packaging for certain percentages of beverages sold or, in the alternative, refundable recycling deposits on nonreusable beverage packaging; requiring a

wood waste and wood products residue marketing plan; providing penalties; amending Minnesota Statutes 1992, sections 16B.122, by adding a subdivision; 18B.135, by adding a subdivision; 115A.03, by adding a subdivision; 115A.072, subdivision 4; and 297A.25, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A; and 116F; repealing Minnesota Statutes 1992, sections 116F.01; 116F.02; 116F.05; 116F.06; and 116F.08.

Referred to the Committee on Environment and Natural Resources.

Mr. Johnson, D.J. introduced—

S.F. No. 1578: A bill for an act relating to taxation; extending the date by which property qualifies for homestead treatment; amending Minnesota Statutes 1992, section 273.124, subdivision 9; repealing Minnesota Statutes 1992, section 273.124, subdivision 16.

Referred to the Committee on Taxes and Tax Laws.

Mr. Luther introduced—

S.F. No. 1579: A bill for an act relating to state government; creating an advisory council on youth athletics; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 240A.

Referred to the Committee on Governmental Operations and Reform.

Ms. Runbeck introduced—

S.F. No. 1580: A bill for an act relating to insurance; Medicare supplement; eliminating community rating; amending Minnesota Statutes 1992, section 62A.31, subdivision 1, as amended.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Kelly and Ms. Ranum introduced—

S.F. No. 1581: A bill for an act relating to corrections; probation; creating a probation task force; requiring a report.

Referred to the Committee on Crime Prevention.

Mr. Price introduced—

S.F. No. 1582: A bill for an act relating to water law; making miscellaneous technical corrections to water law; amending Minnesota Statutes 1992, sections 103F.215, subdivision 1; 103F.221, subdivision 1; 103G.005, subdivisions 14, 15, and 18; 103G.105; 103G.111, subdivision 1; 103G.121, subdivision 1; 103G.135; 103G.261; 103G.271, subdivision 2; 103G.275, subdivision 1; 103G.295, subdivision 4; 103G.315, subdivisions 12 and 15; and 103G.611, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Mr. Price introduced—

S.F. No. 1583: A bill for an act relating to child labor standards; setting minimum age, maximum hour, curfew, permit, and other standards; appro-

priating money; amending Minnesota Statutes 1992, sections 181.85, subdivision 3; 181A.03, by adding a subdivision; 181A.06, subdivision 1; 181A.07; 181A.08, subdivision 1; 181A.09, subdivisions 1 and 2; 181A.12; proposing coding for new law in Minnesota Statutes, chapter 181A; repealing Minnesota Statutes 1992, sections 181A.04; 181A.05; 181A.09, subdivision 3; and 181A.11.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Hottinger introduced—

S.F. No. 1584: A bill for an act relating to state government; revising procedures dealing with professional and technical service contracts; appropriating money; amending Minnesota Statutes 1992, sections 15.061; 16A.11, by adding a subdivision; 16B.17; and 16B.19, subdivisions 2 and 10; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations and Reform.

#### MEMBERS EXCUSED

Mr. Benson, D.D. was excused from the Session of today at 9:25 a.m. Mr. Merriam was excused from the Session of today from 8:30 to 9:20 a.m.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:30 p.m., Monday, April 12, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

### THIRTY-THIRD DAY

St. Paul, Minnesota, Monday, April 12, 1993

The Senate met at 1:30 p.m. and was called to order by the President.

#### CALL OF THE SENATE

Ms. Ranum 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. Samuel Buffat.

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	Dille	Kroening	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Flynn	Langseth	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Janezich	Luther	Pariseau	Stumpf
Berglin	Johnson, D.E.	Marty	Piper	Terwilliger
Bertram	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Betzold	Johnson, J.B.	Merriam	Price	Wiener
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Kiscaden	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	
Day	Krentz	Morse	Robertson	

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.

April 7, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. No. 300.

Warmest regards,  
Arne H. Carlson, Governor



April 8, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
300		15	3:25 p.m. April 7	April 7
	298	16	3:20 p.m. April 7	April 7
	341	17	3:22 p.m. April 7	April 7
	159	18	3:24 p.m. April 7	April 7
	145	19	3:24 p.m. April 7	April 7

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. 234 and 371.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 8, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 270, 1074, 1326, 507, 560, 654, 795 and 804.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 8, 1993

#### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 270: A bill for an act relating to the city of St. Paul; authorizing payment of refunds to the estates of certain deceased firefighters.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 1074: A bill for an act relating to elections; requiring publication and posting of notice of filing dates by county auditors; amending Minnesota Statutes 1992, section 204B.33.

Referred to the Committee on Ethics and Campaign Reform.

H.F. No. 1326: A bill for an act relating to outdoor recreation; authorizing marking of canoe and boating routes on the Pomme de Terre river; amending Minnesota Statutes 1992, section 85.32, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 507: A bill for an act relating to patient and resident rights; providing patients and residents with the option to disclose their presence in a facility; amending Minnesota Statutes 1992, sections 144.651, subdivisions 2, 21, and 26; and 253B.03, subdivisions 3 and 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 481, now on General Orders.

H.F. No. 560: A bill for an act relating to railroads; redefining "grade crossing" to include an intersection of a public pedestrian-bicycle trail with railroad tracks; amending Minnesota Statutes 1992, section 219.16.

Referred to the Committee on Transportation and Public Transit.

H.F. No. 654: A bill for an act relating to commerce; regulating corporate registrations and administrative dissolutions; regulating limited partnership registrations; regulating trademarks; regulating various lien filings; making various housekeeping changes relating to the powers and duties of the secretary of state; regulating legal newspapers; amending Minnesota Statutes 1992, sections 302A.821, subdivision 6; 303.13, subdivisions 1 and 2; 317A.823, subdivision 1; 317A.827, subdivision 3; 322A.70; 331A.07; 333.20, subdivision 3; 336.9-403; 514.27; 514.661, subdivision 4; 514.945, subdivision 1; 514.956, subdivision 3; and 514.960, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 704, now on General Orders.

H.F. No. 795: A bill for an act relating to insurance; no-fault auto; excluding certain vehicles from the right of indemnity granted by the no-fault act; amending Minnesota Statutes 1992, section 65B.53, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 742, now on General Orders.

H.F. No. 804: A bill for an act relating to health; providing an exception to the contested case hearing process required for changing the service area of an ambulance service; amending Minnesota Statutes 1992, section 144.802, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1107, 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. 385. The motion prevailed.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1501: A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders; amending Minnesota Statutes 1992, sections 17.53, subdivisions 2, 8, and 13; 17.59, subdivision 2; and 17.63.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 31, delete the first comma and insert "or" and after "barley" insert "*grown or produced outside the continental United States*"

Page 3, delete section 6

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 167: A bill for an act relating to insurance; health; modifying eligibility for the private employers insurance program and small employer insurance coverages; amending Minnesota Statutes 1992, sections 43A.317, subdivision 5; and 62L.02, subdivision 26.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 19, reinstate the stricken period and before the reinstated period, insert "*If an employer has only two eligible employees and one is the spouse, child, sibling, parent, or grandparent of the other, the employer must be a Minnesota domiciled employer, have paid social security on behalf of its employees, and have listed the family members employed by the employer on schedule C of their most recent income tax return*"

Page 3, line 12, before "A" insert "*If an employer has only two eligible employees and one is the spouse, child, sibling, parent, or grandparent of the other, the employer must be a Minnesota domiciled employer, have paid social security on behalf of its employees, and have listed the family members employed by the employer on schedule C of their most recent income tax return.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was re-referred

S.F. No. 487: A bill for an act relating to natural resources; requiring that iron mines and production facilities be maintained in salable operating condition; proposing coding for new law in Minnesota Statutes, chapter 93.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 17 and 18, delete "*condition*" and insert "*requirement*"

Page 1, line 20, delete "*The condition*" and insert "*This requirement*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 769: A bill for an act relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment; amending Minnesota Statutes 1992, section 62A.152, subdivisions 2 and 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 4, delete "*if*" and insert "*clauses (1) to (5); and 245.4871, subdivision 27, clauses (1) to (5)*"

Page 2, line 5, delete "*licensed*"

Page 2, line 31, delete "*if licensed*" and insert "*clauses (1) to (5); and 245.4871, subdivision 27, clauses (1) to (5)*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1261: A bill for an act relating to courts; authorizing the commissioner of revenue to disclose certain tax information to the court for purposes of determining public defender eligibility; providing for funding of a screener-collector position in the eighth judicial district; authorizing payment of fines and other financial obligations of criminal defendants by credit card; appropriating money; amending Minnesota Statutes 1992, sections 270B.14, by adding a subdivision; 357.021, subdivision 1a; and 609.101, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, line 17, delete from "*The*" through page 2, line 19, to "*court.*"

Page 3, delete lines 29 to 33 and insert:

"The court may not waive payment of the minimum fine or authorize payment of it in installments unless the court makes written findings on the record that the convicted person is indigent or that the fine would create undue hardship for the convicted person or that person's immediate family."

Page 4, line 12, delete "*supreme*" and insert "*district*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete from "authorizing" through page 1, line 5, to "eligibility;"

Page 1, line 10, delete everything after "sections"

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 Crime Prevention, to which was referred

H.F. No. 251: A bill for an act relating to child abuse reporting; expanding the definition of "neglect" to include failure to provide a child with necessary education; amending Minnesota Statutes 1992, section 626.556, 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 1992, section 260.015, is amended by adding a subdivision to read:

*Subd. 5b. [EDUCATIONAL NEGLECT.] "Educational neglect" means the child's parent, guardian, or custodian has been unable or unwilling to comply with the compulsory school attendance law, section 120.101, subdivisions 1 to 5, and the school has made appropriate efforts to resolve the child's attendance problems. A child's absence from school, when the child is 11 years old or younger, is presumed to be due to the parent's, guardian's, or custodian's failure to comply with compulsory school attendance laws; this presumption may be rebutted based on a showing by clear and convincing evidence that the child is habitually truant.*

Sec. 2. Minnesota Statutes 1992, section 260.015, subdivision 19, is amended to read:

*Subd. 19. [HABITUAL TRUANT.] "Habitual truant" means a child under the age of 16 years who is absent from attendance at school without lawful excuse for seven school days if the child is in elementary school or for one or more class periods on seven school days if the child is in middle school, junior high school, or high school. A child's absence from school, when the child is 12 years old or older, is presumed to be due to the child's intent to be absent from school; the presumption may be rebutted based on a showing by clear and convincing evidence that the child's absence is due to educational neglect.*

Sec. 3. Minnesota Statutes 1992, 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. In all*

*adjudicatory proceedings involving a child alleged to be in need of protection or services, the court shall admit only evidence that would be admissible in a civil trial. To be proved at trial, allegations of a petition alleging a child to be in need of protection or services must be proved by clear and convincing evidence.* Except for proceedings involving a child alleged to be in need of protection or services and petitions for the termination of parental rights, hearings may be continued or adjourned from time to time. In proceedings involving a child alleged to be in need of protection or services and petitions for the termination of parental rights, hearings may not be continued or adjourned for more than one week unless the court makes specific findings that the continuance or adjournment is in the best interests of the child. If a hearing is held on a petition involving physical or sexual abuse of a child who is alleged to be in need of protection or services or neglected and in foster care, the court shall file the decision with the court administrator as soon as possible but no later than 15 days after the matter is submitted to the court. 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. 4. Minnesota Statutes 1992, 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 of a child 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. Sexual abuse includes threatened sexual abuse.

(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, or failure to take steps to ensure that a child is educated in accordance with state law. 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, education, or medical care, a duty to provide that care. Neglect includes prenatal exposure to a controlled substance, as defined in section 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 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 245A.01 to 245A.16.

(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 that represents a substantial risk of physical or sexual abuse or mental injury."

Delete the title and insert:

“A bill for an act relating to child abuse reporting; expanding the definition of “neglect” to include failure to provide a child with necessary education; creating a presumption for CHIPS purposes that the absence from school of a child under 12 years old is due to educational neglect; amending Minnesota Statutes 1992, sections 260.015, subdivision 19, and by adding a subdivision; 260.155, subdivision 1; and 626.556, subdivision 2.”

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 656: A bill for an act relating to the city of Albert Lea; actuarial assumptions for the Albert Lea fire department relief association.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 666: A bill for an act relating to commerce; prohibiting smoking in designated nonsmoking hotel rooms; allowing reimbursement to innkeepers for actual costs resulting from violation; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 327.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [327.742] [SMOKING IN DESIGNATED NONSMOKING ROOMS.]

*Subdivision 1. [SMOKING PROHIBITED.] No person shall smoke cigarettes, cigars, pipes, or other smoking material in a hotel sleeping room designated nonsmoking.*

*Subd. 2. [PENALTY.] A person who violates this section is guilty of a petty misdemeanor. Upon conviction, the court may require a person who violates this section to reimburse the innkeeper for actual costs, not to exceed \$100, incurred to restore the room to its previolation condition.*

*Subd. 3. [NOTICE.] Innkeepers shall post signs conspicuously in all nonsmoking sleeping rooms stating that smoking is not permitted and advising occupants of the provisions of this section.”*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1444: A bill for an act relating to occupations and professions; requiring roofers to be licensed by the state; amending Minnesota Statutes



1992, sections 326.83, subdivisions 8 and 10; 326.89, subdivision 3, 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 1992, section 45.027, is amended by adding a subdivision to read:

*Subd. 11. [ACTIONS AGAINST LAPSED LICENSE.] If a license lapses, is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within two years after the license was last effective and enter a revocation or suspension order as of the last date on which the license was in effect, or impose a civil penalty as provided for in subdivision 6.*

Sec. 2. Minnesota Statutes 1992, section 326.83, subdivision 4, is amended to read:

Subd. 4. [LICENSEE.] “Licensee” means a residential building contractor, remodeler, roofer, or specialty contractor licensed under sections 326.83 to 326.98.

Sec. 3. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 9a. [ROOFER.] “Roofer” means a person engaged in the business of doing work on residential real estate in roof coverings, roof sheathing, roof weatherproofing and insulation, and repair of roof systems, but not construction of new roof systems.*

Sec. 4. Minnesota Statutes 1992, section 326.83, subdivision 10, is amended to read:

Subd. 10. [SPECIALTY CONTRACTOR.] “Specialty contractor” means a person other than a residential building contractor, remodeler, or material supplier in the business of contracting or offering to contract to make part of an improvement to residential real estate, including roofing.

Sec. 5. [326.842] [ROOFERS.]

*Roofers are subject to all of the requirements of sections 326.83 to 326.98.*

Sec. 6. [TEMPORARY LICENSES AND FEES.]

*Until March 31, 1994, the license fee for roofers is \$60 per year. Licensees will not be required to satisfy the examination requirement of Minnesota Statutes, section 326.89, subdivision 3, until April 4, 1994. Licenses will not be issued or renewed after that date if the examination requirement is not satisfied.*

*Any person issued a building contractor's or remodeler's license prior to the effective date of sections 1 to 6 may apply to the commissioner for a roofer's license in lieu of that license. The application must include the appropriate bond in the amount specified in Minnesota Statutes, section 326.94, as amended by section 5. The commissioner shall issue that applicant a roofer's license on the same basis as any of the amended licenses. The*

*applicant must complete the examination as specified in Minnesota Statutes, section 326.89, by April 1, 1994.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective the day after final enactment."*

Delete the title and insert:

"A bill for an act relating to occupations and professions; authorizing actions against lapsed licenses; requiring roofers to be licensed by the state; providing for temporary licenses and fees; amending Minnesota Statutes 1992, sections 45.027, by adding a subdivision; and 326.83, subdivisions 4, 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

H.F. No. 208: A bill for an act relating to human rights; prohibiting discrimination against certain persons who have physical or sensory disabilities and who use service animals; clarifying certain language governing transportation of disabled persons; clarifying the commissioner's acceptance of charges; providing for office of administrative hearings costs to be charged in human rights cases; amending Minnesota Statutes 1992, sections 363.01, subdivisions 30a, 35, 41b, and by adding a subdivision; 363.03, subdivisions 2, 4, and 10; 363.071, by adding a subdivision; and 473.144.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 385: A bill for an act relating to civil actions; adopting the discovery rule for medical malpractice statutes of limitation; amending Minnesota Statutes 1992, section 541.07.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, strike "sanitariums" and insert "treatment centers"

Page 1, line 21, strike "sanitarium" and insert "treatment center"

Page 2, line 32, delete "sanitarium" and insert "treatment center"

Page 2, line 34, before the period, insert ", provided that the action must be commenced within five years after the act or omission that forms the basis for the action unless the plaintiff failed to discover the injury due to fraud of the defendant"

And when so amended the bill do pass. Mr. Benson, D.D. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 1275: A bill for an act relating to the environment; providing protection from liability for releases of hazardous substances to lenders and owners for redevelopment of property under an approved cleanup plan; providing authority to issue "no-association determinations"; amending Minnesota Statutes 1992, section 115B.175, subdivisions 4, 7, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete lines 14 to 36

Page 4, delete line 1 and insert:

"Sec. 4. [115B.178] [ASSOCIATION WITH RELEASE; COMMISSIONER'S DETERMINATION.]

*Subdivision 1. [DETERMINATION.] The commissioner may issue determinations that certain actions proposed to be taken at real property subject to a release or threatened release of a hazardous substance or pollutant or contaminant will not constitute conduct associating the person with the release or threatened release for the purpose of section 115B.03, subdivision 3, clause (d). Proposed actions that may be covered by a determination under this section include response actions approved by the commissioner to address the release or threatened release, actions to improve or develop the real property, or other similar actions. A determination may be subject to terms and conditions deemed reasonable by the commissioner. When a person takes actions in accordance with a determination issued under this subdivision, the actions do not associate the person with the release for the purpose of section 115B.03, subdivision 3, clause (d)."*

Page 4, line 8, delete "'no-association determination'" and insert "determination"

Amend the title as follows:

Page 1, line 6, delete everything before the semicolon and insert "determinations regarding association with a release"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 984: A bill for an act relating to civil actions; clarifying the limits on recovery for economic loss caused by components of manufactured goods; amending Minnesota Statutes 1992, section 604.10.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 612: A bill for an act relating to consumers; requiring certain disclosures when consumer reports are used for employment purposes; providing for access to consumer reports; amending Minnesota Statutes 1992, section 13C.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13C; repealing Minnesota Statutes 1992, section 13C.01, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 29, delete "*and scope*"

Page 3, line 36, delete "*delivered or mailed*" and insert "*provided*"

Page 4, line 9, delete from "*report*" through page 4, line 11, to "*preparing*" and insert "*report must be sent to the consumer by the person preparing the report within 24 hours of providing it to the person requesting*"

Page 4, line 16, after the period, insert "*If no report exists, the consumer reporting agency has no obligation to the consumer under this section.*"

Page 4, line 17, delete "*person*" and insert "*consumer reporting agency*"

Page 4, line 18, delete everything before "*shall*"

Page 5, delete line 4 and insert "*the consumer reporting agency shall provide a copy of the*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 576: A bill for an act relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead insurance proceeds; amending Minnesota Statutes 1992, sections 510.02; and 510.07.

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 1992, section 510.01, is amended to read:

510.01 [HOMESTEAD DEFINED; EXEMPT; EXCEPTION.]

The house owned and occupied by a debtor as the debtor's dwelling place, together with the land upon which it is situated to the amount of *area and value* hereinafter limited and defined, shall constitute the homestead of such debtor and the debtor's family, and be exempt from seizure or sale under legal process on account of any debt not lawfully charged thereon in writing, except such as are incurred for work or materials furnished in the construction, repair, or improvement of such homestead, or for services performed by laborers or servants *and as is provided in section 550.175.*

Sec. 2. Minnesota Statutes 1992, section 510.02, is amended to read:

510.02 [AREA, AND VALUE; HOW LIMITED.]

The homestead may include any quantity of land not exceeding 160 acres, and not included in the laid out or platted portion of any city. ~~If it be the homestead is within the laid out or platted portion of such place a city,~~ its area ~~shall~~ must not exceed one-half of an acre. *The value of the homestead exemption, whether the exemption is claimed jointly or individually, may not exceed \$200,000 or, if the homestead is used primarily for agricultural purposes, \$500,000, exclusive of the limitations set forth in section 510.05.*

Sec. 3. Minnesota Statutes 1992, section 510.07, is amended to read:

510.07 [SALE OR REMOVAL PERMITTED; *INSURANCE PROCEEDS*; NOTICE.]

The owner may sell and convey the homestead without subjecting it, or the proceeds of such sale for the period of one year after sale, to any judgment or debt from which it was exempt in the owner's hands, except that the proceeds of the sale are not exempt from a judgment or debt for a court ordered child support or maintenance obligation in arrears. *The proceeds of an insurance claim for an exempt homestead are exempt for one year.* The owner may remove therefrom without affecting such exemption, if the owner does not thereby abandon the same as the place of abode. If the owner shall cease to occupy such homestead for more than six consecutive months the owner shall be deemed to have abandoned the same unless, within such period, the owner shall file with the county recorder of the county in which it is situated a notice, executed, witnessed, and acknowledged as in the case of a deed, describing the premises and claiming the same as the owner's homestead. In no case shall the exemption continue more than five years after such filing, unless during some part of the term the premises shall have been occupied as the actual dwelling place of the debtor or the debtor's family.

Sec. 4. Minnesota Statutes 1992, section 510.08, is amended to read:

510.08 [SELECTION AFTER LEVY.]

(a) If the premises so owned and occupied by the debtor or claimed under the debtor by another as exempt shall exceed the area herein prescribed, and the homestead shall not have been set apart as such and its boundaries defined, an attachment or execution may be levied upon the whole. Thereupon the person entitled to the benefits of such exemption shall deliver to the officer making the levy a description of the part claimed as exempt, and the remainder only shall be subject to the levy so made.

(b) *If the premises so owned and occupied by the debtor or claimed under the debtor by another as exempt exceeds the value prescribed in section 510.02, an attachment or execution may be levied upon the whole.*

Sec. 5. Minnesota Statutes 1992, section 550.175, subdivision 3, is amended to read:

Subd. 3. [DESIGNATION OF HOMESTEAD PROPERTY.] The debtor must designate the legal description of the homestead property to be sold separately and the debtor's estimate of the value of the property. The homestead property designated may include any amount of the property. The designation must conform to local zoning, include the dwelling occupied by the debtor, and be compact so that it does not unreasonably affect the value of the remaining property. The debtor must serve a copy of the designation on the executing creditor, the sheriff, and the county recorder by ten business days before the sale is scheduled.

Sec. 6. Minnesota Statutes 1992, section 550.175, subdivision 4, is amended to read:

Subd. 4. [SALE OF PROPERTY.] (a) If the sheriff receives a homestead property designation under subdivision 3, the sheriff must offer and sell the designated homestead property, and the remaining property, separately, unless the executing creditor denies the right to the exemption, objects to the property designated, or claims the value exceeds the exemption.

(b) If the executing creditor is dissatisfied with the homestead property designation or the debtor's valuation of the property, upon proper motion to the district court of the county in which any part of the property is located, the executing creditor is entitled to a court approved designation of the homestead and a court determination of value. The court shall either approve the debtor's designation or cause the property to be surveyed and order a homestead designation consistent with the standards of subdivision 3 and require an appraisal of fair market value, as applicable. The court's designation of the homestead property must conform to the debtor's request, to the extent not inconsistent with the standards of subdivision 3.

(c) The court, in determining appraised value, shall review any appraisals provided by the debtor and executing creditor and may require a court appointed independent appraisal. The appraisals shall evaluate the property's fair market value, net of reasonable costs of sale.

(d) If the court determines that the property claimed as a homestead exceeds in value the amount of the homestead exemption or if the court determines that the property cannot be divided without material injury, the court shall order the sale of the entire property, including the designated homestead. Out of the proceeds of the sale, the court shall pay the debtor the amount of the homestead exemption and apply the balance of the proceeds of the sale on the execution.

(e) At the sale, no bid may be accepted unless it exceeds the amount of the homestead exemption. If no bid exceeds the exemption, the homestead is exempt.

(f) The cost of any court ordered survey or appraisal and of the sale must be collected on the execution, if the debtor designated as the debtor's homestead a greater quantity of property, property of greater value than the debtor was entitled to, or designated a parcel that does not meet the standards of subdivision 3. In all other cases, the costs shall be borne by the executing creditor."

Amend the title as follows:

Page 1, line 5, after "sections" insert "510.01;" and delete "and" and before the period, insert "510.08; and 550.175, subdivisions 3 and 4"

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. 94 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.
94		35			

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. 801 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.
801	885				

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. 1296 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.
1296	716				

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. 976 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.
				976	821

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. 566 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:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				566	670

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. 167, 487, 769, 656, 666, 1444, 1275, 984, 612 and 576 were read the second time.

#### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 94, 801, 1296, 976 and 566 were read the second time.

#### **MOTIONS AND RESOLUTIONS**

Mr. Bertram moved that the name of Mr. Stevens be added as a co-author to S.F. No. 312. The motion prevailed.

Mr. Hottinger moved that the name of Ms. Ranum be added as a co-author to S.F. No. 1584. The motion prevailed.

Mr. Luther moved that S.F. No. 184 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Transportation and Public Transit. 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. Hottinger, Betzold, Sams and Riveness introduced—

S.F. No. 1585: A bill for an act relating to state government; revising procedures governing state contracts for professional, technical, and consultant services; limiting uses of funds saved from leaving positions vacant; limiting funds spent on certain contracts; amending Minnesota Statutes 1992, section 16B.17, by adding a subdivision.



Referred to the Committee on Governmental Operations and Reform.

Messrs. Sams, Morse, Stevens and Vickerman introduced—

S.F. No. 1586: A bill for an act relating to agricultural promotion; transferring agricultural marketing and promotion duties from the department of trade and economic development to the department of agriculture; appropriating money; amending Minnesota Statutes 1992, section 17.03, subdivision 6; repealing Minnesota Statutes 1992, section 116J.966, subdivision 2.

Referred to the Committee on Governmental Operations and Reform.

Ms. Ranum, Mr. Janezich, Ms. Hanson, Messrs. Terwilliger and Beckman introduced—

S.F. No. 1587: A bill for an act relating to education; guaranteeing special education services to eligible infants and toddlers; providing services to other eligible children; amending Minnesota Statutes 1992, section 120.17, subdivisions 11b, 12, 14, 15, and by adding subdivisions.

Referred to the Committee on Education.

Messrs. Moe, R.D. and Stumpf introduced—

S.F. No. 1588: A bill for an act relating to capital improvements; appropriating money for the Agassiz environmental learning center in Polk county; authorizing the sale of state bonds.

Referred to the Committee on Environment and Natural Resources.

Mses. Wiener and Anderson introduced—

S.F. No. 1589: A bill for an act relating to insurance; regulating the health coverage reinsurance association; amending Minnesota Statutes 1992, sections 62L.02, by adding a subdivision; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 2, 4, 6, and 7; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.19; and 62L.20, subdivision 1.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Chmielewski, Solon and Larson introduced—

S.F. No. 1590: A bill for an act relating to taxation; repealing the hospital and health care provider gross revenues taxes; repealing the gross premiums taxes on health maintenance organizations and nonprofit health service corporations; repealing the health care access fund and providing for payment from the general fund; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62C.01, subdivision 3; 62E.11, subdivision 12; 62J.07, subdivision 4; 214.16, subdivision 3; and 256.9352, subdivision 3; repealing Minnesota Statutes 1992, sections 16A.724; 144.1484, subdivision 2; 295.50; 295.51; 295.52; 295.53; 295.54; 295.55; 295.57; 295.58; 295.59; and Laws 1992, chapter 549, article 9, sections 17, 18, 19, 20, and 21.

Referred to the Committee on Health Care.

Messrs. Belanger; Johnson, D.E.; Benson, D.D.; Ms. Olson and Mrs. Pariseau introduced—

S.F. No. 1591: A bill for an act relating to taxation; providing general property tax limitations for taxes payable in 1994; proposing coding for new law in Minnesota Statutes, chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mondale introduced—

S.F. No. 1592: A bill for an act relating to railroads; prohibiting trains failing to meet federal noise regulations from movement at night in cities and towns; imposing a penalty; amending Minnesota Statutes 1992, sections 218.041, subdivision 2; and 219.97, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 219.

Referred to the Committee on Transportation and Public Transit.

Without objection, the Senate reverted to the Orders of Business of Reports of Committees, Second Reading of Senate Bills, Second Reading of House Bills and Motions and Resolutions.

### 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. 860, 439, 773, 391, 900, 938 and 29. The motion prevailed.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 545: A bill for an act relating to retirement; expanding coordinated plan survivor coverage benefits for certain public employees and teachers; amending Minnesota Statutes 1992, sections 352.01, by adding a subdivision; 352.12, subdivision 2, and by adding subdivisions; 353.01, subdivision 15, and by adding a subdivision; 353.32, subdivision 1a, and by adding subdivisions; 354.05, subdivision 8, and by adding a subdivision; 354.46, subdivisions 2, 5, and by adding subdivisions; 354A.011, by adding a subdivision; and 354A.35, subdivision 2, 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 1992, section 352.01, is amended by adding a subdivision to read:

*Subd. 26. [DEPENDENT CHILD.] “Dependent child” means a biological or adopted child of a deceased employee who has not reached the age of 20 and is dependent upon the employee for more than one-half of the child’s support at the time of the employee’s death. It also means a child of the member conceived during the member’s lifetime and born after the member’s death.*

Sec. 2. Minnesota Statutes 1992, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] (a) If an employee or former employee is at least 50 years old and has credit for at least three years allowable service or who has credit for at least 30 years of allowable service, regardless of age, and dies before an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse of the employee may elect to receive, in lieu of the refund with interest provided in under subdivision 1, an annuity equal to the joint and 100 percent survivor annuity which the employee could have qualified for had the employee terminated service on the date of death.

(b) If the employee was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and surviving spouse on the date of death. The annuity is payable using the full early retirement reduction under section 352.116, subdivision 1, paragraph (a), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

(c) If the employee was under age 55 and has credit for at least three years of allowable service credit on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the employee and surviving spouse at the time of death. The annuity is payable using the full early retirement reduction under section 352.116, subdivision 1 or 1a, to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

The surviving spouse eligible for surviving spouse benefits under paragraph (a) may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employees's allowable service. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for the annuity at any time after the employees's death. The annuity must be computed as provided in under sections 352.115, subdivisions 1, 2, and 3, and 352.116, subdivisions 1, 1a, and 3. Sections 352.22, subdivision 3, and 352.72, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision. The annuity must cease with the last payment received by the surviving spouse in the lifetime of the surviving spouse, or upon expiration of a term certain benefit payment to a surviving spouse under subdivision 2a. An amount equal to the excess, if any, of the accumulated contributions credited to the account of the deceased employee in excess of the total of the benefits paid and payable to the surviving spouse must be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of the deceased spouse as specified in subdivision 1.

Any employee may request in writing that this subdivision not apply and that payment be made only to a designated beneficiary as otherwise provided by this chapter.

Sec. 3. Minnesota Statutes 1992, section 352.12, is amended by adding a subdivision to read:

Subd. 2a. [SURVIVING SPOUSE COVERAGE TERM CERTAIN.] Instead of the 100 percent optional annuity under subdivision 2 or refund under subdivision 1, the surviving spouse of a deceased employee may elect to receive survivor coverage in a term certain of five, ten, 15, or 20 years, but

monthly payments may not exceed 75 percent of the average high-five monthly salary of the deceased employee. The monthly term certain annuity must be actuarially equivalent to the 100 percent optional annuity under subdivision 2.

If a survivor elects a term certain annuity and dies before the expiration of the specified term certain period, the commuted value of the remaining annuity payments must be paid in a lump sum to the survivor's estate.

Sec. 4. Minnesota Statutes 1992, section 352.12, is amended by adding a subdivision to read:

*Subd. 2b. [DEPENDENT CHILD SURVIVOR COVERAGE.] If there is no surviving spouse eligible for benefits under subdivision 2, a dependent child or children as defined in section 352.01, subdivision 26, is eligible for monthly payments. Payments to a dependent child must be paid from the date of the employee's death to the date the dependent child attains age 20 if the child is under age 15. If the child is 15 years or older on the date of death, payment must be made for five years. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent optional annuity under subdivision 2 using the age of the employee and age of the dependent child at the date of the employee's death instead of the age of the surviving spouse. If there is more than one dependent child, each dependent child must receive a proportionate share of the actuarial value of the employee's account.*

Sec. 5. Minnesota Statutes 1992, section 353.01, subdivision 15, is amended to read:

*Subd. 15. [DEPENDENT CHILD.] For the purpose of survivor benefit eligibility under sections 353.31, subdivision 1, and 353.657, subdivision 3, "dependent child" means a ~~natural~~ biological or adopted child of a deceased member who is unmarried, and under the age of 18, or age 18 to 23, so long as the child submits evidence of full-time enrollment in an accredited educational institution. "Dependent child" also includes a child of the member conceived during the member's lifetime and born after the member's death. It also means a dependent child who is the subject of adoption proceedings filed by a member, and who within two years after death of the member, by judgment and decree duly entered, is adjudged to be the adopted child of the deceased member; subject, however, to the qualifying conditions of age and dependency under this subdivision. The dependency of the child dates from the decree of adoption. "Dependent child" also includes a child age 18 to 23 who had submitted evidence of full-time enrollment in an accredited educational institution but was determined to be medically unable to continue school on a full-time basis. The board of trustees shall adopt written procedures to make determinations regarding eligibility based on a student being medically unable to continue school, and may not continue a benefit for medical reasons for a period greater than one year.*

Sec. 6. Minnesota Statutes 1992, section 353.01, is amended by adding a subdivision to read:

*Subd. 15a. [DEPENDENT CHILD.] For the purpose of survivor benefit eligibility under section 353.32, subdivision 1c, "dependent child" means a biological or adopted child of a deceased member who has not reached the age of 20 and is dependent for more than one-half of support upon the member. It also includes any child of the member conceived during the member's lifetime and born after the member's death.*

Sec. 7. Minnesota Statutes 1992, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE OPTIONAL ANNUITY.] (a) If a member or former member who has attained at least age 50 and has credit for not less than three years of allowable service or who has credit for not less than 30 years of allowable service, regardless of age attained, dies before the annuity or disability benefit begins to accrue under section 353.29, subdivision 7, or 353.33, subdivision 2, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, instead of a refund with interest under subdivision 1, or surviving spouse benefits otherwise payable under section 353.31, an annuity equal to the 100 percent joint and survivor annuity that the member could have qualified for had the member terminated service on the date of death.

(b) If the member was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the member and surviving spouse on the date of death. The annuity is payable using the full early retirement reduction under section 353.30, subdivisions 1b and 1c, to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

(c) If the member was under age 55 and has credit for at least three years of allowable service on the date of death but did not qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and surviving spouse at the time of the member's death. The annuity is payable using the full early retirement reduction under section 353.30, subdivision 1, 1b, 1c, or 5, to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the monthly surviving spouse optional annuity if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under subdivision 1, if provided for in a marriage dissolution decree but not a monthly surviving spouse optional annuity despite the terms of a marriage dissolution decree filed with the association.

The surviving spouse eligible for surviving spouse benefits under paragraph (a) may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity any time after the member's death. The annuity must be computed under sections 353.29, subdivisions 2 and 3; 353.30, subdivisions 1, 1a, 1b, 1c, and 5; and 353.31, subdivision 3.

Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity or surviving spouse benefit payable under this subdivision. No payment may accrue beyond the end of the month in which entitlement to the annuity has terminated or upon expiration of the term certain benefit payment under subdivision 1b. An amount equal to any excess of the accumulated contributions that were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the

surviving spouse must be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of the deceased member as specified in subdivision 1.

A member may specify in writing that this subdivision does not apply and that payment may be made only to the designated beneficiary as otherwise provided by this chapter.

Sec. 8. Minnesota Statutes 1992, section 353.32, is amended by adding a subdivision to read:

*Subd. 1b. [SURVIVOR COVERAGE TERM CERTAIN.] Instead of the 100 percent optional annuity under subdivision 1a or a refund under subdivision 1, the surviving spouse of a deceased member may elect to receive survivor coverage for a term certain of five, ten, 15, or 20 years, but monthly payments may not exceed 75 percent of the average high-five monthly salary of the deceased member. The monthly term certain annuity must be actuarially equivalent to the 100 percent optional annuity under subdivision 1a.*

*If a surviving spouse elects a term certain annuity and dies before the expiration of the specified term certain period, the commuted value of the remaining annuity payments must be paid in a lump sum to the survivor's estate.*

Sec. 9. Minnesota Statutes 1992, section 353.32, is amended by adding a subdivision to read:

*Subd. 1c. [DEPENDENT CHILD SURVIVOR COVERAGE.] If there is no surviving spouse eligible for benefits under subdivision 1a, a dependent child or children as defined in section 353.01, subdivision 15a, is eligible for monthly payments. Payments to a dependent child must be paid from the date of the member's death to the date the dependent child attains age 20 if the child is under age 15. If the child is 15 years or older on the date of the member's death, payment must be made for five years. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent optional annuity under subdivision 1a using the age of the member and age of the dependent child at the date of the member's death instead of the age of the surviving spouse. If there is more than one dependent child, each dependent child must receive a proportionate share of the actuarial value of the employee's account.*

Sec. 10. Minnesota Statutes 1992, section 354.05, subdivision 8, is amended to read:

*Subd. 8. [DEPENDENT CHILD.] For the purpose of survivor benefit eligibility under section 354.46, subdivision 1, "dependent child" means any natural biological or adopted child of a deceased member who has not reached the age of 18, or who is under age 22 and is a full time full-time student throughout the normal school year, unmarried and dependent for more than one-half of support upon such the member and for a period of at least 90 days prior to the member's death. It also includes any child of the member conceived while living and born after death.*

Sec. 11. Minnesota Statutes 1992, section 354.05, is amended by adding a subdivision to read:

*Subd. 8a. [DEPENDENT CHILD.] For the purpose of survivor benefit eligibility under section 354.46, subdivision 2b, "dependent child" means a*

*biological or adopted child of a deceased member who has not reached the age of 20 and is dependent for more than one-half of support upon the member. It also includes any child of the member conceived during the members's lifetime and born after the member's death.*

Sec. 12. Minnesota Statutes 1992, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] (a) ~~The surviving spouse of any member or former member who has attained the age of at least 50 years and has credit for at least three years of allowable service or who has credit for at least 30 years of allowable service irrespective of age is entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to under subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to under section 354.47, subdivision 1, the surviving spouse is entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to specified under section 354.45, based on the age of the member and surviving spouse at the time of death of the member, and computed pursuant to under section 354.44, subdivision 2, or 6, or 7, whichever is applicable.~~

*(b) If the member was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the member and surviving spouse on the date of the member's death. The annuity is payable using the full early retirement reduction under section 354.44, subdivision 6, paragraph (3), clause (ii), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.*

*(c) If the member was under age 55 and has credit for at least three years of allowable service on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the surviving spouse at the time of the member's death. The annuity is calculated using the full early retirement reduction under section 354.44, subdivision 6, to age 55 and one-half of the early retirement reduction from age 55 to the age the annuity begins. The surviving spouse eligible for a surviving spouse benefit under paragraph (a) may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for the annuity any time after the member's death. This benefit accrues from the day following the date of the member's death but may not begin to accrue more than six months before the date the application is filed with the executive director. Sections 354.44 354.55, subdivision 6 11, and 354.60 apply to a deferred annuity payable under this section. The benefit is payable for life.*

Sec. 13. Minnesota Statutes 1992, section 354.46, is amended by adding a subdivision to read:

Subd. 2a. [SURVIVOR COVERAGE TERM CERTAIN.] *Instead of the 100 percent optional annuity under subdivision 2 or a refund under section 354.47, subdivision 1, the surviving spouse of a deceased member may elect*

to receive survivor coverage in a term certain of five, ten, 15, or 20 years, but monthly payments must not exceed 75 percent of the average high-five monthly salary of the deceased member. The monthly term certain annuity must be actuarially equivalent to the 100 percent optional annuity under subdivision 2.

*If a surviving spouse elects a term certain payment and dies before the expiration of the specified term certain period, the commuted value of the remaining annuity payments must be paid in a lump sum to the survivor's estate.*

Sec. 14. Minnesota Statutes 1992, section 354.46, is amended by adding a subdivision to read:

*Subd. 2b. [DEPENDENT CHILD SURVIVOR COVERAGE.] If there is no surviving spouse eligible for benefits under subdivision 2, a dependent child or children as defined in section 354.05, subdivision 8a, is eligible for monthly payments. Payments to a dependent child must be paid from the date of the member's death to the date the dependent child attains age 20 if the child is under age 15. If the child is 15 years or older on the date of the member's death, payment must be made for five years. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent optional annuity under subdivision 2 using the age of the member and age of the dependent child at the date of the member's death instead of the age of the member and the spouse. If there is more than one dependent child, each dependent child must receive a proportionate share of the actuarial value of the member's account.*

Sec. 15. Minnesota Statutes 1992, section 354.46, subdivision 5, is amended to read:

*Subd. 5. [PAYMENT TO DESIGNATED BENEFICIARY.] Any A member and the spouse of the member may make a joint specification in writing on a form prescribed by the executive director that the benefits provided in subdivision 2, or in section 354.47, subdivision 1, shall may be paid only to a designated beneficiary. For purposes of this subdivision, a designated beneficiary may only be either a former spouse or a child, either natural biological or adopted, of the member, but more than one beneficiary may be designated for the benefit provided in section 354.47, subdivision 1.*

Sec. 16. Minnesota Statutes 1992, section 354A.011, is amended by adding a subdivision to read:

*Subd. 12a. [DEPENDENT CHILD.] "Dependent child" means a biological or adopted child of a deceased member who has not reached the age of 20 and is dependent on the member for more than one-half of the child's support at the time of the member's death. It also means a child of the member conceived during the member's lifetime and born after the member's death.*

Sec. 17. Minnesota Statutes 1992, section 354A.35, subdivision 2, is amended to read:

*Subd. 2. [DEATH WHILE ELIGIBLE TO RETIRE; SURVIVING SPOUSE OPTIONAL ANNUITY.] (a) The surviving spouse of any a coordinated member who has attained the age of at least 50 years and has credit for at least three years of service or has credit for at least 30 years of service regardless of age shall be entitled to joint and survivor annuity coverage in the event of death of the member and dies prior to retirement may*



elect to receive, instead of a refund with interest under subdivision 1, an annuity equal to the 100 percent joint and survivor annuity the member could have qualified for had the member terminated service on the date of death. The surviving spouse eligible for a surviving spouse benefit under this paragraph may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. A surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity at any time after the member's death. The member's surviving spouse shall be paid a joint and survivor annuity as provided in under section 354A.32 and computed pursuant to under section 354A.31.

(b) If the member was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the member and surviving spouse on the date of the employee's or former employee's death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6, paragraph (a), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins:

(c) If the member was under age 55 and has credit for at least three years of allowable service on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the survivor at the time of the member's death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6 or 7, to age 55 and one-half of the early retirement reduction from age 55 to the date payment begins.

Sections 354A.37, subdivision 2, and 354A.39 apply to a deferred annuity or surviving spouse benefit payable under this section. The benefits shall be are payable for the life of the surviving spouse, or upon expiration of the term certain benefit payment under subdivision 2b.

Sec. 18. Minnesota Statutes 1992, section 354A.35, is amended by adding a subdivision to read:

*Subd. 2b. [SURVIVOR COVERAGE TERM CERTAIN.] Instead of the 100 percent optional annuity under subdivision 2, or a refund under subdivision 1, the surviving spouse of a deceased member may elect to receive survivor coverage in a term certain of five, ten, 15, or 20 years, but monthly payments may not exceed 75 percent of the average high-five monthly salary of the deceased member. The monthly term certain annuity must be actuarially equivalent to the 100 percent optional annuity under subdivision 2.*

*If a surviving spouse elects a term certain annuity and dies before the expiration of the specified term certain period, the commuted value of the remaining annuity payments must be paid in a lump sum to the survivor's estate.*

Sec. 19. Minnesota Statutes 1992, section 354A.35, is amended by adding a subdivision to read:

*Subd. 2c. [DEPENDENT CHILD SURVIVOR COVERAGE.] If there is no surviving spouse eligible for benefits under subdivision 2, a dependent child or children as defined in section 354A.011, subdivision 12a, is eligible for monthly payments. Payments to a dependent child must be paid from the date*

*of the member's death to the date the dependent child attains age 20 if the child is under age 15. If the child is 15 years or older on the date of the member's death, payment must be made for five years. The payment to a dependent child is an amount actuarially equivalent to the value of a 100 percent optional annuity under subdivision 2 using the age of the member and age of the dependent child at the date of the member's death. If there is more than one dependent child, each dependent child must receive a proportionate share of the actuarial value of the employee's account.*

Sec. 20. [EFFECTIVE DATE.]

*Sections 1 to 19 are effective July 1, 1993."*

Delete the title and insert:

"A bill for an act relating to retirement; expanding coordinated plan survivor coverage benefits for certain public employees and teachers; amending Minnesota Statutes 1992, sections 352.01, by adding a subdivision; 352.12, subdivision 2, and by adding subdivisions; 353.01, subdivision 15, and by adding a subdivision; 353.32, subdivision 1a, and by adding subdivisions; 354.05, subdivision 8, and by adding a subdivision; 354.46, subdivisions 2, 5, and by adding subdivisions; 354A.011, by adding a subdivision; and 354A.35, subdivision 2, and 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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 860: A bill for an act relating to retirement; providing coverage for unclassified managerial employees in temporary, acting, or interim positions; providing default plan for employee selection; providing one-time vesting change for state university employee; providing for retroactive effect of 1990 law; adding conforming language to clarify eligibility between plans; relating to the individual retirement account plan; providing new eligibility period; providing for refunding of amounts forfeited; providing coverage for certain part-time employees; providing for repayment of missed contributions; providing for administrative expenses; providing for contributions during period of sabbatical leave; relating to the supplemental retirement plan; providing conforming language for previous oversight of eligible members; relating to retirement plan for technical college employees; providing investment option under individual retirement account plan; relating to marriage dissolutions; providing alternate method of retirement asset distribution for individual retirement account plan; amending Minnesota Statutes 1992, sections 352D.02, subdivision 1a, and by adding a subdivision; 354.05, subdivision 2a; 354B.01, subdivision 1, and by adding a subdivision; 354B.015; 354B.02, subdivisions 1, 2, 3a, and by adding a subdivision; 354B.04, by adding a subdivision; 354B.05, subdivision 1, and by adding a subdivision; 356.24, subdivision 1; and 518.58, subdivision 4; Laws 1990, chapter 570, article 10, section 7; proposing coding for new law in Minnesota Statutes, chapter 354B; repealing Minnesota Statutes 1992, section 354B.02, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 36, insert:

“Section 1. Minnesota Statutes 1992, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. [COVERAGE.] (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 plan under chapter 352, are participants in the unclassified program under this chapter unless 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 general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified plan.

(b) Enumerated employees are:

(1) 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 a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4;

(3) a permanent, full-time unclassified employee of the legislature or 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) a person other than an employee of the state board of technical colleges who is employed in a position established under section 43A.08, subdivision 1, clause (3), 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 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 before January 1, 1992, or subsequently redesignated with the approval of the board of directors of the Minnesota state retirement system, unless the person has elected coverage by the individual retirement account plan under chapter 354B;

(7) the clerk of the appellate courts appointed 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) an employee whose principal employment is at the state ceremonial house;

(10) an employee of the Minnesota educational computing corporation;

(11) an employee of the world trade center board;

(12) an employee of the state lottery board who is covered by the managerial plan established under section 43A.18, subdivision 3; and

(13) an employee of the state board of technical colleges employed in a position established under section 43A.08, subdivision 1, clause (3), or 1a, unless the person has elected coverage by the individual retirement account plan under chapter 354B; and

(14) an employee of the higher education board in a position established under section 136E.04, subdivision 2; unless the person has elected coverage by the individual retirement account plan under chapter 354B."

Page 1, line 39, strike "UNIVERSITY" and insert "HIGHER EDUCATION"

Page 2, line 1, delete "this"

Page 2, line 2, strike "plan" and before the first comma, insert "the retirement program governed by this chapter"

Page 2, line 4, after "system" insert "the higher education board, the higher education coordinating board, and the technical college system chancellor's office"

Page 2, line 13, after "the" insert "general" and delete "fund" and insert "plan of the Minnesota state retirement system"

Page 2, delete line 14 and insert "teachers retirement association, or other Minnesota public employee retirement plan governed by section 356.30, whichever applies, during"

Page 2, line 16, after "plan" insert "governed by this chapter"

Page 2, delete section 2 and insert:

"Sec. 3. Minnesota Statutes 1992, section 354B.01, is amended by adding a subdivision to read:

*Subd. 6. [COVERED EMPLOYMENT; HIGHER EDUCATION BOARD MANAGERIAL EMPLOYEES.] "Covered employment," with respect to employment by the higher education board, means employment in a position described in section 352D.02, subdivision 1, paragraph (b), clause (14)."*

Page 3, line 14, delete "state" and insert "Minnesota public employee" and after "plan" insert "governed by section 356.30, whichever applies"

Page 3, line 18, after "or" insert "the" and delete "state" and insert "Minnesota public employee"

Page 3, line 19, delete "Should" and insert "If the"

Page 3, line 20, delete "become" and insert "becomes" and after "permanent" insert a comma and delete "shall be" and insert "has"

Page 3, line 21, delete "given"

Page 3, line 26, reinstate the stricken language

Page 3, line 27, reinstate the stricken "otherwise be covered by section 352D.02, subdivision 1a,"

Page 3, line 28, delete "will be" and insert "are"

Page 3, line 36, delete "will participate" and insert "is a participant"

Page 4, line 1, delete "accountant" and insert "account"

Page 4, line 2, delete "shall be" and insert "is"

Page 4, lines 15 and 16, delete "executive director" and insert "individual retirement account plan administrator"

Page 4, line 17, delete "employer and" and after "employee" insert "and matching employer" and after "contributions" insert "to the credit of the person in the teachers retirement association,"

Page 4, line 18, after "percent" insert "compound annual" and after "interest" insert "from the date that each contribution was made until the date that the transfer is made"

Pages 4 and 5, delete sections 5 and 6 and insert:

"Sec. 6. Minnesota Statutes 1992, section 354B.02, is amended by adding a subdivision to read:

*Subd. 3c. [HIGHER EDUCATION BOARD EMPLOYEES.] Employees in covered employment under section 354B.01, subdivision 6, may elect coverage under the plan. Election to participate in the plan must be made by December 31, 1993, or within 120 days of the start of covered employment, whichever is later, and is irrevocable during any period of covered employment in a position listed in section 352D.02, subdivision 1, paragraph (b), clause (14), which is established by the higher education board or the higher education facilities authority. These employees are not eligible for the supplemental retirement plan specified in sections 354B.07 to 354B.09."*

Page 5, line 7, delete "1, 3, 4, 5, and 6" and insert "2, 4, and 5"

Page 5, delete line 8

Renumber the sections of article I in sequence

Pages 5 and 6, delete sections 1 and 2

Page 6, line 12, delete "MISSED" and insert "OMITTED" and after "(a)" insert "Except as provided in paragraph (b),"

Page 6, lines 15 and 16, delete "within 60 days of the date the deduction should have been made" and insert "in a timely fashion"

Page 6, line 18, delete "the boards fail" and insert "a board fails"

Page 6, line 19, after "date" insert "on which"

Page 6, line 20, delete "boards" and insert "board"

Page 6, line 22, delete everything after the period

Page 6, line 23, delete everything before "an" and insert "If" and after "deduction" insert "is"

Page 6, line 24, delete "be"

Page 7, line 11, after "rate" insert "specified"

Page 7, line 19, after "payment" insert "under this subdivision"

Page 7, line 20, after "the" insert "date on which the" and after "contribution" insert "was made"

Page 7, line 28, before "Plans" insert "(a)"

Page 8, line 3, after the period, insert:

“(b)”

Page 8, line 4, delete "shall" and insert "must"

Page 8, line 7, after "Participants" insert "in the individual retirement account plans under Minnesota Statutes, chapter 354B," and after "service" insert "credited by the teachers retirement association"

Page 8, line 9, after the first "the" insert "matching"

Page 8, line 10, delete "this" and insert "that coverage"

Page 8, line 11, before "employer" insert "matching" and after "percent" insert "annual compound" and after "interest" insert ", from the date that each contribution was made until the date that the restoration is made,"

Page 8, line 13, delete "shall" and insert "must" and after the first "the" insert "individual retirement account" and after the second "the" insert "executive director of the teachers retirement"

Page 8, line 15, delete "shall" and insert "must"

Page 8, line 21, delete "7" and insert "5"

Renumber the sections of article 2 in sequence

Page 9, line 21, reinstate the stricken "to" and delete "for"

Pages 10 to 12, delete article 4

Page 12, line 19, delete "5" and insert "4"

Page 13, line 10, delete "pursuant to" and insert "under" and after "document" insert ", if published and made generally available,"

Page 13, line 11, after the first "alternative" insert "marital property" and after "distribution" insert "of individual retirement account plan assets" and after "If" insert "an" and delete "language" and insert "division or distribution procedure"

Page 13, line 12, delete "shall prevail over" and insert "applies in place of"

Page 13, after line 14, insert:

## "ARTICLE 5

## INDIVIDUAL RETIREMENT ACCOUNT PLAN ADMINISTRATION

Section 1. Minnesota Statutes 1992, section 354B.05, is amended to read:  
354B.05 [ADMINISTRATION.]

Subdivision 1. [GOVERNING BOARDS.] The state university board shall administer the plan for persons in covered employment under section 354B.01, subdivisions 2, 4, and 5. The community college board shall administer the plan for persons in covered employment under section 354B.01, subdivision 3.

Subd. 2. [PURCHASE OF CONTRACTS.] The state university board and the community college board shall arrange for the purchase of annuity contracts, fixed, variable, or a combination of fixed and variable, or custodial accounts from financial institutions selected by the state board of investment under subdivision 3, to provide retirement and death benefits to members of the plan. The contracts or accounts must be purchased with contributions under section 354B.04 or money or assets otherwise provided by law or by authority of the state university board or community college board and acceptable by the financial institutions from which the contracts or accounts are purchased.

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 of investment may select no more than two other financial institutions to provide annuity contracts or custodial accounts products. 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 state board of investment must periodically review at least every three years each financial institution selected by the state board of investment. The state board of investment may retain consulting services to assist in the periodic review, may establish a budget for its costs in the periodic review process, and may charge a proportional share of those costs to each financial institution selected by the state board of investment. All reimbursements collected under this subdivision are appropriated to the state board of investment to pay expenses related to this process. All contracts must be approved by the state board of investment before execution by the state university board and the community college board. The state board of investment shall also establish policies and procedures under section 11A.04, clause (2), to carry out this subdivision.*

The chancellor of the state university system and the chancellor of the state community college system 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 fixed interest account must not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

Subd. 4. [BENEFITS OWNED BY MEMBERS.] The retirement and death benefits provided by the annuity contracts or custodial accounts are owned by the trust and must be paid in accordance with the provisions of the plan document.

Sec. 2. [REVIEWS.]

*The state board of investment is responsible for periodic review of each financial institution under the provisions of section 1 as of the effective date of this article. Initial reviews must be with those financial institutions under contract with the state university board and community college board on the effective date of this article. As provided in section 1, the state board of investment may retain consulting services, establish a budget for its costs, charge a proportional share of those costs to those financial institutions, and have all reimbursements collected appropriated to it.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 5, delete "providing one time vesting"

Page 1, delete line 6

Page 1, line 7, delete "retroactive effect of 1990 law;"

Page 1, line 10, delete "providing new eligibility period;"

Page 1, line 11, delete "providing coverage for"

Page 1, line 12, delete "certain part-time employees;"

Page 1, line 17, delete "relating to"

Page 1, delete lines 18 and 19

Page 1, line 20, delete "retirement account plan;"

Page 1, line 23, after the semicolon, insert "transferring responsibility for the investment of individual retirement account plan assets to the state board of investment;"

Page 1, line 24, delete the first "subdivision" and insert "subdivisions 1 and" and delete ", and by adding a subdivision"

Page 1, line 25, delete "354.05, subdivision 2a;" and delete "subdivision 1, and"

Page 1, line 26, delete "354B.015;"

Page 1, line 27, delete "2,"

Page 1, line 28, delete everything after "354B.05"



Page 1, line 29, delete everything before the first semicolon

Page 1, line 30, delete everything after the semicolon

Page 1, line 31, delete "10, section 7;"

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. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 439: A bill for an act relating to economic and social 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 be amended as follows:

Page 3, delete section 5 and insert:

"Sec. 5. [REPEALER.]

*Sections 1 to 4 expire June 30, 1995."*

Amend the title as follows:

Page 1, lines 3 and 4, delete "appropriating money;"

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. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1062: A bill for an act relating to metropolitan government; establishing a metropolitan radio systems planning committee under the metropolitan council.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 462.357, subdivision 2, is amended to read:

Subd. 2. [GENERAL REQUIREMENTS.] At any time after the adoption of a land use plan for the municipality, the planning agency, for the purpose of carrying out the policies and goals of the land use plan, may prepare a proposed zoning ordinance and submit it to the governing body with its recommendations for adoption. Subject to the requirements of subdivisions 3, 4 and 5, the governing body may adopt and amend a zoning ordinance by a two-thirds vote of all its members. ~~If the comprehensive municipal plan is in conflict with the zoning ordinance, the zoning ordinance supersedes the plan.~~ *Zoning ordinances and subdivision regulations adopted under this chapter must implement the purpose, objectives, and policies of the comprehensive plan. Zoning ordinances and subdivision regulations may not allow land use*

and development that will effectively prevent the planned land use as designated within specific areas in the comprehensive plan. The determination of the timing of the implementation of the comprehensive plan must be at the sole discretion of the governing body.

Sec. 2. Minnesota Statutes 1992, section 473.858, subdivision 1, is amended to read:

Subdivision 1. Within three years following the receipt of the metropolitan system statement, every local governmental unit shall have prepared a comprehensive plan in accordance with sections 462.355, subdivision 4, 473.175, and 473.851 to 473.871 and the applicable planning statute and shall have submitted the plan to the metropolitan council for review pursuant to under section 473.175. ~~The provisions of Sections 462.355, subdivision 4, 473.175, and 473.851 to 473.871 shall supersede the provisions of the applicable planning statute wherever a conflict may exist. If the comprehensive municipal plan is in conflict with the zoning ordinance, the zoning ordinance supersedes the plan.~~

Sec. 3. Minnesota Statutes 1992, section 473.865, subdivision 1, is amended to read:

Subdivision 1. Each local governmental unit shall adopt official controls as described in its adopted comprehensive plan and shall submit copies of the official controls to the council within 30 days following their adoption thereof, for information purposes only. *The official controls adopted must implement the purpose, objectives, and policies of the comprehensive plan. Zoning ordinances and subdivision regulations may not allow land use and development that will effectively prevent the planned land use as designated within specific areas of the comprehensive plan. The determination of the timing of the implementation of the comprehensive plan must be at the sole discretion of the governing body. This subdivision does not limit the applicability of the requirements in subdivision 3.*

Page 1, lines 7 and 8, delete "1 to 7" and insert "4 to 9"

Page 1, line 19, delete everything after "area"

Page 1, line 20, delete everything before the period and insert "defined in Minnesota Statutes, section 473.121, subdivision 2"

Page 2, line 2, delete "shall" and insert "consists"

Page 2, line 3, delete "consist" and delete "shall" and insert "must"

Page 2, lines 5, 8, 12, 14, 15, 17, 19, 21, 23, 25, and 28, delete "shall" and insert "must"

Page 3, line 33, delete ". This"

Page 3, delete lines 34 and 35

Page 3, line 36, delete everything before the semicolon

Page 4, after line 3, insert:

*"The analysis required by clause (6) must include, at a minimum, obtaining responses to "requests for information" for budgetary cost estimates for the options from at least two private vendors."*

Page 4, line 8, delete “, and which” and insert “. The” and delete “shall” and insert “must”

Page 4, lines 14 and 20, delete “shall” and insert “must”

Page 4, line 24, delete “must” and insert “shall”

Page 4, line 35, delete “continue to” and insert “not” and after “borrow” insert “more than \$200,000”

Page 5, line 3, delete “metropolitan area” and insert “counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, before the semicolon, insert “and urban planning” and after the semicolon, insert “clarifying the applicability of comprehensive plans that conflict with official controls;”

Page 1, line 4, before the period, insert “; amending Minnesota Statutes 1992, sections 462.357, subdivision 2; 473.858, subdivision 1; and 473.865, subdivision 1”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 86: A bill for an act relating to retirement; authorizing a benefit increase for certain retired police officers, firefighters, and surviving spouses in the city of Eveleth.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

“Section 1. Laws 1977, chapter 61, section 6, as amended by Laws 1981, chapter 68, section 39, is amended to read:

Sec. 6. [FINANCIAL REQUIREMENTS OF THE TRUST FUND.]

Commencing January 1, 1978, the city of Eveleth shall provide by annual levy an amount sufficient to pay the greater of either (a) an amount which when added to the investment income of the trust fund is sufficient to pay the benefits provided under the trust fund for the succeeding year as certified by the board of trustees of the trust fund; or (b) an amount equal to the level annual dollar amount sufficient to amortize the unfunded *actuarial* accrued liability of the trust fund by December 31, ~~1994~~ 1998, as determined by a *qualified actuary* in accordance with Minnesota Statutes, Sections 69.77, 356.215 and 356.216, ~~in the latest actuarial valuation.~~ *The city of Eveleth may, at its cost, utilize the services of the actuary retained by the legislative commission on pensions and retirement to determine the trust unfunded actuarial accrued liability and amortization requirement.*

The annual levy under this section shall not be included in any limitation as to rate or amount set by charter and shall be a special levy for purposes of

Minnesota Statutes, Section 275.50, Subdivision 5. All revenues generated by the levy required under this section shall be transferred to the trust fund."

Page 1, line 15, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period, insert "; amending Laws 1977, chapter 61, section 6, as amended"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 587: A bill for an act relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements; amending Minnesota Statutes 1992, sections 69.051, by adding a subdivision; and 317A.823, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 15, after the period, insert "*The information provided must also include, for each volunteer firefighter relief association, the office address and the name of the person functioning as president.*"

Page 2, delete lines 21 and 22 and insert "*presentation of the corporate registration. The secretary of state may reject the registration by the volunteer firefighter relief association. Rejection must occur if the information provided to the state auditor does not match the information in the records of the secretary of state. The volunteer firefighter relief association may amend the articles of incorporation as provided in sections 317A.131 to 317A.151 so that the information from the state auditor may be accepted for filing. The timely filing of an annual financial report and audit or an annual financial statement under section 69.051, subdivision 1 or 1a, does not relieve the volunteer firefighter relief association of the requirement to file amendments to the articles of incorporation directly with the secretary of state.*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 853: A bill for an act relating to retirement; volunteer firefighters' relief associations; increasing service pension maximums; establishing a fire state aid maximum apportionment; providing penalties for noncompliance with service pension maximums; specifying duties for the state auditor; ratifying certain prior nonconforming lump sum service pension payments; continuing certain nonconforming lump sum service pension amounts in force; modifying certain investment performance calculations; modifying certain local volunteer firefighters relief association provisions; amending Minnesota Statutes 1992, sections 11A.04; 356.218, subdivisions 2 and 3;

424A.001, by adding subdivisions; 424A.01, by adding a subdivision; and 424A.02, subdivisions 1, 3, and by adding subdivisions; Laws 1971, chapter 140, section 5, as amended; proposing coding for new law in Minnesota Statutes, chapter 424A.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete sections 1 to 3

Page 6, line 22, after "firefighter" insert "*for the applicable specified period*"

Page 6, after line 25, insert:

*"(1) for service pensions payable before January 1, 1994"*

Page 8, after line 7, insert:

<i>"1820</i>	<i>3375</i>
<i>any amount more than 1820</i>	<i>3375</i>

*(2) in addition to the service pension maximum under clause (1), for service pensions payable after December 31, 1993, and before January 1, 1995"*

Page 8, after line 9, insert:

<i>"any amount more than 1888</i>	<i>3500</i>
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*(3) in addition to the service pension maximum under clauses (1) and (2), for service pensions payable after December 31, 1994, and before January 1, 1996"*

Page 8, after line 12, insert:

<i>"any amount more than 2023</i>	<i>3750</i>
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*(4) in addition to the service pension maximum under clauses (1) to (3), for service pensions payable after December 31, 1995"*

Page 8, delete lines 34 to 36

Page 9, delete lines 1 to 5 and insert:

*"(g) No relief association is authorized to provide a service pension in an amount greater than \$30 per month per year of service credit or in an amount greater than \$3,375 lump sum per year of service credit before January 1, 1994, \$3,500 lump sum per year of service credit before January 1, 1995, \$3,750 lump sum per year of service credit before January 1, 1996, and \$4,000 lump sum per year of service credit after December 31, 1995, even if the minimum average amount of available financing per firefighter for a relief association providing a monthly benefit service pension is greater than \$2,240, or, for a relief association providing a lump sum service pension, is greater than \$1,753 before January 1, 1994, \$1,888 before January 1, 1995, \$2,023 before January 1, 1996, or \$2,158 after December 31, 1995."*

Page 10, delete section 7

Page 11, line 9, delete "8" and insert "4"

Renumber the sections of article 1 in sequence

Amend the title as follows:

Page 1, line 14, delete "424A.001, by adding"

Page 1, line 15, delete everything before "and"

Page 1, line 18, delete everything after "amended"

Page 1, line 19, delete "Statutes, chapter 424A"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 625: A bill for an act relating to retirement; first class city teachers; annuities and administration; St. Paul teachers postretirement adjustments; administrative expenses; amending Minnesota Statutes 1992, sections 354A.011, subdivision 27; 354A.021, subdivision 5, and by adding a subdivision; 354A.12, subdivisions 1, 1a, 2a, 2b, and by adding a subdivision; 354A.23, subdivision 3; and 354A.31, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 34, delete "*and employer*"

Page 2, line 35, after "contributions" insert "*, and employer contributions if negotiated under a collective bargaining agreement,*"

Page 3, line 22, delete "*in the*"

Page 3, delete line 23 and insert "*and must be remitted directly to the respective teachers retirement fund association at least once each month.*"

Page 4, line 3, strike everything after the second comma

Page 4, strike lines 4 and 5

Page 4, line 6, strike everything before the period and insert "*stated as a monthly rate from the date due until the date payment is received in the office of the association, with a minimum interest charge of \$10*"

Page 6, line 1, delete the new language

Page 6, lines 4 to 15, delete the new language and insert "*Delinquent amounts are payable with interest under the procedure in subdivision 1a.*"

Page 6, line 35, delete "REPORTING NEW EMPLOYEES" and insert "EMPLOYEE REPORTING"

Page 7, line 1, after "*new*" insert "*or returning*"

Page 7, line 2, delete "*prior to*" and insert "*before*" and delete "*new*"

Page 7, after line 25, insert:

"Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day following final enactment.*"

Page 7, after line 36, insert:

“Sec. 2. [BYLAW AMENDMENT.]

*Consistent with Minnesota Statutes, section 354A.12, subdivision 4, the boards of the Duluth teachers retirement fund association, the Minneapolis teachers retirement fund association, and the St. Paul teachers retirement fund association may amend the bylaws or articles of incorporation to provide that, if an application for retirement is filed with the board during the 90-day period immediately following the termination of teaching service, the annuity may begin to accrue as if the application for retirement had been filed with the board on the date teaching service terminated. An annuity may not begin to accrue more than one month before the date of final salary receipt.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment.”*

Page 8, delete article 4 and insert:

“Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*

#### ARTICLE 4

Section 1. Minnesota Statutes 1992, section 356.215, subdivision 4j, is amended to read:

Subd. 4j. [ADMINISTRATIVE EXPENSES.] The actuarial valuation must indicate the administrative expenses of the fund, expressed both in dollars and as a percentage of covered payroll. *Administrative expenses are costs incurred by the retirement plans excluding investment expenses. Investment expenses include all expenses incurred for the retention of professional external investment managers and professional investment consultants, custodian bank fees, investment transaction costs, and the costs incurred by the retirement plans to manage investment portfolios or assets internally. Investment expenses must be deducted from investment return in the actuarial valuation, and not included in administrative expenses when calculating the allowance for expenses.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*

#### ARTICLE 5

Section 1. Minnesota Statutes 1992, section 354A.35, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE TO RETIRE; SURVIVING SPOUSE OPTIONAL ANNUITY.] The surviving spouse of any coordinated member who ~~has attained the age of at least 50 years and~~ has credit for at least three years of service ~~or has credit for at least 30 years of service regardless of age shall be~~ is entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The member's surviving spouse shall be paid a joint and

survivor annuity as provided in section 354A.32 and computed pursuant to section 354A.31. Sections 354A.37, subdivision 2, and 354A.39 apply to a deferred annuity payable under this section. The benefits shall be payable for life.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment.*"

Amend the title as follows:

Page 1, line 3, after "annuities" insert ", death-while-active survivor benefits,"

Page 1, line 6, delete everything after "5"

Page 1, line 7, delete everything before the semicolon

Page 1, line 9, delete "and" and before the period, insert "; 354A.35, subdivision 2; and 356.215, subdivision 4j"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was re-referred

S.F. No. 23: A bill for an act relating to education; providing for a tuition free technical college program for certain Persian Gulf war era veterans; amending Minnesota Statutes 1992, section 136C.13, subdivision 4.

Report the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "exempt from tuition" and insert "*eligible for a state grant of \$500 per year if the veteran has GI Montgomery bill benefits, or \$1,000 per year if the veteran does not have GI Montgomery bill benefits,*"

Page 1, line 18, after the period, insert "*The grant is based on full-time attendance and shall be prorated if the veteran is attending less than full time.*" and delete "exemption" and insert "relief"

Page 2, line 3, strike "after" and before "August" insert "*any time between*" and before "and" insert "*and February 27, 1992,*"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 818: A bill for an act relating to education; post-secondary; prescribing changes in eligibility and in duties and responsibilities regarding certain financial assistance programs; amending Minnesota Statutes 1992, sections 136A.101, subdivision 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; and 136A.233, subdivisions 2 and 3; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134.



Report the same back with the recommendation that the bill be amended as follows:

Page 3, line 29, after the first comma, insert "*is approved by the United States Secretary of Education.*"

Page 4, line 2, reinstate the stricken language

Page 4, delete lines 3 to 9 and insert "student for a single academic year ~~may shall~~ not exceed ~~\$4,000~~ \$6,000. The aggregate principal amount of all loans made under this section to an undergraduate student ~~may shall~~ not exceed ~~\$16,000~~ \$25,000. The principal amount of a loan to a graduate student for a single academic year shall not exceed ~~\$6,000~~ \$9,000. The aggregate principal amount of all loans made under this section to a student as a graduate student shall not exceed ~~\$25,000~~ \$40,000."

Page 5, line 35, delete "*sections*" and insert "*section*" and delete the semicolon and insert a comma

Page 5, line 36, delete "*and 136A.134, are*" and insert "*is*"

Amend the title as follows:

Page 1, line 10, delete "*sections*" and insert "*section*"

Page 1, line 11, delete "*; and 136A.134*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred.

S.F. No. 349: A bill for an act relating to education; updating the name of the umbrella student association for technical colleges; amending Minnesota Statutes 1992, section 136C.15.

Report the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred.

S.F. No. 509: A bill for an act relating to education; revising the mailing requirement for notices of referendum revenue authorization elections; amending Minnesota Statutes 1992, section 124A.03, subdivision 2.

Report the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred.

S.F. No. 1431: A bill for an act relating to education; providing for school district elections in independent school district Nos. 404, 408, and 583.

Report the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 773: A bill for an act relating to transportation; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, section 161.082, 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 1992, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. [TOWN BRIDGES AND CULVERTS; TOWN ROAD ACCOUNT.] An amount equal to 25 percent of the county turnback account must be expended, within counties having two or more towns, on town road bridge structures that are ten feet or more in length and on town road culverts that replace existing town road bridges. In addition, if the present bridge structure is less than ten feet in length but a hydrological survey indicates that the replacement bridge structure or culvert must be ten feet or more in length, then the bridge or culvert is eligible for replacement funds. In addition, if a culvert that replaces a deficient bridge is in a county comprehensive water plan approved by the board of water and soil resources and the department of natural resources, the costs of the culvert and roadway grading other than surfacing are eligible for replacement funds up to the cost of constructing a replacement bridge. The expenditures on bridge structures and culverts may be on a matching basis, and if on a matching basis, not more than 90 percent of the cost of a bridge structure or culvert may be paid from the county turnback account. When bridge approach construction work exceeds \$10,000 in costs, or when the county engineer determines that the cost of the replacement culverts alone will not exceed \$20,000, the town shall be eligible for financial assistance from the town bridge account. Financial assistance shall be limited to 90 percent of the cost of the bridge approach work that is in excess of \$10,000 and shall be requested by resolution of the county board and shall be limited to:

(1) 100 percent of the cost of the bridge approach work that is in excess of \$10,000; or

(2) 100 percent of the cost of the replacement culverts when the cost does not exceed \$20,000 and the town board agrees to be responsible for all the other costs, which may include costs for structural removal, installation, and permitting. The replacement structure design and costs shall be approved and certified by the county engineer, but need not be subsequently approved by the department of transportation.

An amount equal to 47.5 percent of the county turnback account must be set aside as a town road account and distributed as provided in section 162.081.”

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. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 555: A bill for an act relating to veterans; providing for establishment of a veterans home in Fergus Falls; proposing coding for new law in Minnesota Statutes, chapter 198.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Health Care. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 333: A bill for an act proposing an amendment to the Minnesota Constitution; article XI, section 5; providing for bonuses to veterans serving during the period of the Persian Gulf conflict.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 391: A bill for an act relating to education; making superintendents and principals at-will positions in school districts; amending Minnesota Statutes 1992, sections 123.34, subdivisions 9 and 10; and 125.12, subdivision 1.

Report 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 1992, section 123.34, subdivision 9, is amended to read:

Subd. 9. [SUPERINTENDENT.] All districts maintaining a classified secondary school shall employ a superintendent who shall be an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent shall be vested in the school board in all cases. An individual employed by a school board as a superintendent shall have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A school board, at its discretion, may or may not renew an employment contract. *An employment contract between a superintendent and a school board may not include a provision extending the term of the contract beyond the date specified in the contract or be amended while the contract is in force in a manner that would extend the term of the contract beyond the date specified in the contract. If a contract between a school board and a superintendent is terminated prior to the date specified in the contract, the school board may not enter into another contract with that same individual that has a term that extends beyond the date specified in the terminated contract.* A school board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 125.12, subdivision 6 or 8. A superintendent shall not rely upon an employment contract with a school board to assert any other continuing contract rights in the position of superintendent under section 125.12.

Notwithstanding the provisions of sections 122.532, 122.541, 125.12, subdivision 6a or 6b, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more school districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) superintend school grading practices and examinations for promotions;

(4) make reports required by the commissioner of education; and

(5) perform other duties prescribed by the board.”

Delete the title and insert:

“A bill for an act relating to education; restricting extensions of school superintendents’ contracts; amending Minnesota Statutes 1992, section 123.34, subdivision 9.”

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. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 62A.021, subdivision 1; 62A.65; 62C.16, by adding a subdivision; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 214.16, subdivision

3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B:057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 137; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 5, after "*chapter*" insert "*and licensed by the commissioner*"

Page 6, line 29, delete "*plans*" and insert "*carriers*"

Page 9, line 3, delete "*with*" and insert "*in*"

Page 10, line 23, delete "*comprehensive*"

Page 11, line 1, after "*for*" insert "*the*"

Page 11, delete line 2 and insert "*cost of the set of required health services.*"

Page 11, line 21, delete "*comprehensive*" and insert "*appropriate and necessary*"

Page 11, line 23, delete "*section 62N.07*" and insert "*sections 62N.075 to 62N.085*"

Page 11, line 31, delete "*emergency and*"

Page 11, line 32, after "*rules*" insert "*and may adopt emergency rules*"

Page 12, line 5, delete "*emergency and*"

Page 12, line 6, after "*rules*" insert "*and may adopt emergency rules*"

Page 13, line 32, delete everything after "*with*" and insert "*the rules adopted under chapter 62D*"

Page 13, line 33, delete "*to 9505.5260,*"

Page 14, line 10, before "*addresses*" insert "*business*"

Page 14, line 20, before "*address*" insert "*business*"

Page 20, line 20, after "*information*", insert "*on the complainant and on the enrollee whose case is the subject of the complaint*"

Page 23, line 2, delete "*plan*" and insert "*plans*"

Page 23, line 3, delete "*62N.07*" and insert "*62N.085*"

Page 23, line 4, delete "*62N.10*" and insert "*62N.086*"

Page 23, line 7, delete "*and*"

Page 30, line 34, delete "*plans*" and insert "*carriers*"

Page 31, line 14, after the comma, insert "*incentives based on setting and achieving volume targets,*"

Page 34, line 11, delete "*is providing*" and insert "*provides*"

Page 34, line 12, delete "*remains*" and insert "*is*"

Page 34, line 13, delete "*that provider*" and insert "*providers of that type*"

Page 37, line 9, after "*in*" insert "*aggregate*"

Page 40, line 36, delete "*plans*" and insert "*carriers*"

Page 41, line 25; after "*under*" insert "*chapter 13 and*"

Page 47, line 34, delete "*assistance*" and insert "*advice*"

Page 48, line 13, delete the first "*that*" and insert "*the*"

Page 48, line 16, before "*The*" insert "*(a)*"

Page 48, after line 20, insert:

*"(b) The revisor of statutes is directed to change the words "health care analysis unit" to "data analysis unit" whenever they appear in the next edition of Minnesota Statutes."*

Page 50, line 31, delete "*16B.24*" and insert "*16B.95*"

Page 50, line 36, delete "*plans*" and insert "*carriers*"

Page 53, line 32, delete "*plans*" and insert "*carriers*"

Page 54, line 21, after "*retrospective*" insert "*and prospective*"

Page 61, line 24, before "*practice*" insert "*pertinent*"

Page 62, after line 1, insert:

*"Sec. 10. Minnesota Statutes 1992, section 169.685, subdivision 5, is amended to read:*

*Subd. 5. [VIOLATION; PENALTY.] (a) Every motor vehicle operator, when transporting a child under the age of four on the streets and highways of this state in a motor vehicle equipped with factory-installed seat belts, shall equip and install for use in the motor vehicle, according to the manufacturer's instructions, a child passenger restraint system meeting federal motor vehicle safety standards.*

*(b) No motor vehicle operator who is operating a motor vehicle on the streets and highways of this state may transport a child under the age of four in a seat of a motor vehicle equipped with a factory-installed seat belt, unless the child is properly fastened in the child passenger restraint system. Any motor vehicle operator who violates this subdivision is guilty of a petty misdemeanor and may be sentenced to pay a fine of not more than \$25 \$50. The fine may be waived or the amount reduced if the motor vehicle operator produces evidence that within 14 days after the date of the violation a child passenger restraint system meeting federal motor vehicle safety standards was purchased or obtained for the exclusive use of the operator.*

*Sec. 11. Minnesota Statutes 1992, section 169.686, subdivision 1, is amended to read:*

Subdivision 1. [SEAT BELT REQUIREMENT.] A properly adjusted and fastened seat belt shall be worn by:

- (1) the driver of a passenger vehicle;
- (2) a passenger riding in the front seat of a passenger vehicle; and
- (3) a passenger riding in any seat of a passenger vehicle who is older than three but younger than 44 years of age.

A person who is 15 years of age or older and who violates clause (1) or (2), or (3) is subject to a fine of \$25. The driver of the passenger vehicle in which the violation occurred is subject to a \$25 fine for a violation of clause (2) or (3) by a child of the driver under the age of 15 or any child under the age of 14. A peace officer may not issue a citation for a violation of this section unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation other than a violation involving motor vehicle equipment. The department of public safety shall not record a violation of this subdivision on a person's driving record."

Renumber the sections of article 6 in sequence

Page 73, line 20, delete "and supervised"

Page 73, line 21, after "commissioner" insert "and accompanied by such appropriate conditions, supervision, and regulation"

Page 74, line 4, delete everything after the period

Page 74, delete lines 5 to 17

Page 74, line 36, delete "Notwithstanding the"

Page 75, delete lines 1 to 6

Page 75, line 7, delete everything before "Approval"

Page 75, line 9, after "state" insert "and federal"

Page 75, line 11, delete "ATTORNEY GENERAL CANNOT USE" and after "APPLICATION" insert "CANNOT BE USED"

Page 75, line 12, delete "PROSECUTE" and insert "IMPOSE LIABILITY"

Page 75, line 13, delete ", but" and insert a period

Page 75, line 15, delete "to the attorney"

Page 75, line 16, delete "general" and after "any" insert "civil or criminal"

Page 75, line 17, after "general" insert "or any other person" and after "except" insert "(1)"

Page 75, line 20, before the period, insert "; or (2) a proceeding based on actions taken by the applicant prior to submitting the application, where such actions are admitted to in the application"

Page 75, line 32, after "office" insert "of each party"

Page 78, after line 26, insert:

*“Subd. 7. [COMMISSIONER’S AUTHORITY TO EXTEND TIME LIMIT.] Upon the showing of good cause, the commissioner may extend any of the time limits stated in sections 62J.2915 and 62J.2916 at the request of the applicant or another person.”*

Page 79, lines 5 and 8, delete “submit” and insert “mail”

Page 79, line 6, after the period, insert “Within 30 days after the notice is published, the Minnesota health care commission or any regional coordinating board may mail to the commissioner comments with respect to the application.”

Page 79, line 9, after “to” insert “any” and delete “submitting” and insert “mailing”

Page 79, line 10, before “comments” insert “such”

Page 82, line 21, before “In” insert “The commissioner’s analysis of cost must focus on the individual consumer of health care. Cost savings to be realized by providers, health carriers, group purchasers, or other participants in the health care system are relevant only to the extent that the savings are likely to be passed on to the consumer. However, where an application is submitted by providers or purchasers who are paid primarily by third party payors unaffiliated with the applicant, it is sufficient for the applicant to show that cost savings are likely to be passed on to the unaffiliated third party payors; the applicants do not have the burden of proving that third party payors with whom the applicants are not affiliated will pass on cost savings to individuals receiving coverage through the third party payors.”

Page 83, line 16, after “new” insert “and needed”

Page 83, line 22, before the comma, insert “and bases that determination on a projected increase in utilization”

Page 83, delete line 24 and insert “utilization does not reflect overutilization.”

Page 83, delete line 25

Page 83, line 33, delete “, leading” and insert “likely to lead”

Page 85, line 35, delete “active”

Page 87, line 11, delete “active” and insert “appropriate”

Page 110, delete lines 2 to 7 and insert:

“Sec. 10. Minnesota Statutes 1992, section 256B.057, is amended by adding a subdivision to read:

*Subd. 1a. [PREMIUMS.] The commissioner shall establish premiums for coverage based on a sliding scale for persons eligible under subdivision 1 and whose countable family income is equal to or greater than 185 percent of the federal poverty guideline for the same family size.”*

Page 110, line 10, delete “the premium” and insert “premiums”

Page 110, line 11, delete “5” and insert “10”

Page 110, line 15, delete “6” and insert “11”

Renumber the sections of article 10 in sequence



Page 111, lines 1 and 4, after "local" insert "financial"

Page 118, line 5, after "regents" insert "of the University of Minnesota"

Page 123, line 22, strike "health maintenance organization" and insert "staff model health carrier"

Page 123, line 24, before the period, insert "covered under its contracts with groups and enrollees"

Page 123, line 36, after "services" insert "directly"

Page 124, line 3, delete "service" and insert "goods and services"

Page 124, delete lines 6 and 7 and insert:

"(2) a staff model health carrier;"

Page 124, line 8, delete "(4)" and insert "(3)" and before the period, insert " or

(4) a pharmacy as defined in section 151.01"

Page 124, line 21, delete everything after "services" and insert "and other services provided by hospitals, surgical centers, or health care providers and include the following health care items and services provided to a patient or consumer"

Page 124, line 22, delete everything before the colon

Page 125, after line 12, insert:

"Sec. 7. Minnesota Statutes 1992, section 295.50 is amended by adding a subdivision to read:

*Subd. 12a. [STAFF MODEL HEALTH CARRIER.] Staff model health carrier is a health carrier as defined in section 62L.02, subdivision 16, which employs one or more types of health care provider to deliver health care services to the health carrier's enrollees.*

Sec. 8. Minnesota Statutes 1992, section 295.50, subdivision 14, is amended to read:

*Subd. 14. [WHOLESALE DRUG DISTRIBUTOR.] "Wholesale drug distributor" means a wholesale drug distributor required to be licensed under sections 151.42 to 151.51 or a nonresident pharmacy required to be registered under section 151.19."*

Page 126, line 19, delete "Medicare"

Page 126, line 20, delete "coordinated health plans" and insert "organizations governed by section 1876 of the federal Social Security Act, United States Code, title 42, section 1385"

Page 126, line 22, after "coverage" insert "and services not covered by Medicare"

Page 127, line 16, delete "and"

Page 127, line 18, before the period, insert ";

(13) payments received for services provided by community residential mental health facilities licensed under Minnesota Rules, parts 9520.0500 to

9520.0690, community support programs and family community support programs receiving grants under Minnesota Rules, parts 9536.1700 to 9535.1765, and community mental health centers as defined in section 245.62, subdivision 2; and

(14) payments received from any governmental agency for services benefiting the public. Payments made by the government in its capacity as an employer or insurer are not excluded”

Page 127, after line 18, insert:

“Sec. 13. Minnesota Statutes 1992, section 295.53, subdivision 2, is amended to read:

Subd. 2. [DEDUCTIONS FOR HEALTH MAINTENANCE ORGANIZATIONS STAFF MODEL HEALTH CARRIERS.] (a) In addition to the exemptions allowed under subdivision 1, a health maintenance organization staff model health carrier may deduct from its gross revenues for the year:

(1) amounts paid to hospitals and health care providers that are not employees of the staff model health carrier for services subject to the tax under section 295.52;

(1) (2) amounts added to reserves, if total reserves do not exceed 25 percent of gross revenues for the prior year;

(2) (3) assessments for the comprehensive health insurance plan under section 62E.11, medical care surcharge under section 256.9657, subdivision 3, premium tax under section 60A.15, subdivision 1, and any other government taxes, assessments, or surcharges paid during the year; and

(3) an allowance (4) amounts spent for administration and underwriting as reported as total administration on report #2 statement of revenues, expenses, and net worth and other medical administration or managed care expenses that are not similar to the administrative costs of direct health care providers; and

(5) amounts paid to providers outside of the state of Minnesota.

(b) The commissioner of health, in consultation with the commissioners of commerce and revenue, shall establish by rule under chapter 14 the percentage of health maintenance revenue that will be allowed as a deduction for administrative and underwriting expenses. The commissioner of health shall determine the percentage allowance based on the average expenses of health maintenance organizations that are equivalent to the claims administration and other underwriting services of third party payors. These expenses do not include the portion of health maintenance organization costs that are similar to the administrative costs of direct health care providers, rather than third party payors, and do not include costs deductible under paragraph (a), clauses (1) and (2). The commissioner of health may adopt emergency rules.”

Page 127, after line 36, insert:

“Sec. 15. Minnesota Statutes 1992, section 295.57, is amended to read:

295.57 [COLLECTION AND ENFORCEMENT; REFUNDS; RULE-MAKING; APPLICATION OF OTHER CHAPTERS.]

Unless specifically provided otherwise by sections 295.50 to 295.58, the enforcement, interest, and penalty provisions under chapter 294, appeal and,

criminal penalty, *and refunds* provisions under chapter 289A, and collection and rulemaking provisions under chapter 270, apply to a liability for the taxes imposed under sections 295.50 to 295.58."

Page 129, line 13, delete "subdivision" and insert "subdivisions 5 and"

Page 129, line 20, delete "to 10" and after the fourth semicolon, insert "9 to 12;" and delete "12" and insert "16"

Page 129, line 23, delete "11" and insert "14"

Page 129, line 25, delete "13, 14, and 15" and insert "17, 18, and 19"

Renumber the sections of article 14 in sequence

Page 130, delete lines 32 to 35

Amend the title as follows:

Page 1, line 33, after the semicolon, insert "169.685, subdivision 5; 169.686, subdivision 1;"

Page 1, line 37, after "1" insert ", and by adding a subdivision" and after "7," insert "14,"

Page 1, line 39, delete "subdivision 1" and insert "subdivisions 1 and 2"

Page 1, line 40, after the first semicolon, insert "295.57;"

Page 1, line 46, delete the first "subdivision" and insert "subdivisions 5 and"

And when so amended the bill do pass and be re-referred to the Committee on Health Care. Mr. Price questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 329: A bill for an act relating to human services; allocating money to the child care basic sliding fee program; amending Minnesota Statutes 1992, section 256H.03, 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 1992, section 256H.03, subdivision 4, is amended to read:

Subd. 4. [ALLOCATION FORMULA.] Beginning July 1, 1992, the basic sliding fee state and federal funds shall be allocated according to the following formula:

(a) One-half of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the 12-month period ending on December 31 of the preceding state fiscal year.

(b) One-fourth of the funds shall be allocated based on the number of children under age 13 in each county who are enrolled in general assistance medical care, medical assistance, and the children's health plan on July 1, of each year.

(c) One-fourth of the funds shall be allocated based on the number of children under age 13 who reside in each county, from the most recent estimates of the state demographer.

(d) *In fiscal year 1993 only, a maximum of \$600,000 in federal funds designated for the basic sliding fee program shall be distributed to counties that, due to the allocation formula change in paragraphs (a) to (c), do not have sufficient funds available in the basic sliding fee program to continue services in fiscal year 1993 to families participating in the basic sliding fee program in fiscal year 1992. This maximum of \$600,000 increase for the sliding fee child care fund in fiscal year 1993 is a one-time increase and does not increase the allocation base for the 1994-1995 biennium. The funds shall be distributed as a supplemental fiscal year 1993 allocation to counties without regard to the allocation formula identified in this subdivision. The amount distributed to a county shall be based on earnings in excess of its original fiscal year 1993 allocation after the maintenance of effort requirements in section 256H.12. The sum of a county's original and supplemental fiscal year 1993 allocations may not exceed its fiscal year 1992 allocation. If the amount of funds earned under this paragraph is in excess of \$600,000, the distribution shall be prorated to each county based on the ratio of the county's earnings in excess of its allocation to the total of all counties' earnings in excess of their allocations.*

Sec. 2. [EFFECTIVE DATE.]

*This act is 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. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 938: A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; 326.94, subdivision 1; and 326.991, 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 1992, 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) certified interior designers regulated pursuant to chapter 326;
- (u) midwives regulated pursuant to chapter 148;
- (v) morticians regulated pursuant to chapter 149;
- (w) nursing home administrators regulated pursuant to chapter 144A;
- (x) optometrists regulated pursuant to chapter 148;
- (y) osteopathic physicians regulated pursuant to chapter 147;
- (z) pharmacists regulated pursuant to chapter 151;
- (aa) physical therapists regulated pursuant to chapter 148;
- (bb) physicians and surgeons regulated pursuant to chapter 147;

- (cc) plumbers regulated pursuant to chapter 326;
- (dd) podiatrists regulated pursuant to chapter 153;
- (ee) practical nurses regulated pursuant to chapter 148;
- (ff) professional fund raisers regulated pursuant to chapter 309;
- (gg) psychologists regulated pursuant to chapter 148;
- (hh) real estate brokers, salespersons, and others regulated pursuant to chapters 82 and 83;
- (ii) registered nurses regulated pursuant to chapter 148;
- (jj) securities brokers, dealers, agents, and investment advisers regulated pursuant to chapter 80A;
- (kk) steamfitters regulated pursuant to chapter 326;
- (ll) teachers and supervisory and support personnel regulated pursuant to chapter 125;
- (mm) veterinarians regulated pursuant to chapter 156;
- (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;
- (ss) *real estate appraisers regulated pursuant to chapter 82B;*
- (tt) *residential building contractors, residential remodelers, and specialty contractors regulated pursuant to chapter 326;*
- (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 86B;
- (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.

Sec. 2. Minnesota Statutes 1992, section 326.83, subdivision 4, is amended to read:

Subd. 4. [LICENSEE.] "Licensee" means a residential building contractor, or residential remodeler, or ~~specialty contractor~~ licensed under sections 326.83 to ~~326.98~~ 326.991.

Sec. 3. Minnesota Statutes 1992, section 326.83, subdivision 6, is amended to read:

Subd. 6. [PUBLIC MEMBER.] "Public member" means a person who is not, and never was, a residential ~~builder~~, *building contractor*, residential remodeler, or specialty contractor or the spouse of such person, or a person who has no, or never has had a, material financial interest in acting as a residential building contractor, *residential remodeler*, or specialty contractor or a directly related activity.

Sec. 4. Minnesota Statutes 1992, section 326.83, subdivision 7, is amended to read:

Subd. 7. [RESIDENTIAL REMODELER.] "*Residential remodeler*" means a person in the business of contracting or offering to contract *with an owner* to improve existing residential real estate *by providing two or more special skills as defined in this section*. A ~~remodeler has two or more special skills~~.

Sec. 5. Minnesota Statutes 1992, section 326.83, subdivision 8, is amended to read:

Subd. 8. [RESIDENTIAL BUILDING CONTRACTOR.] "Residential building contractor" means a person in the business of building residential real estate, or of contracting or offering to contract *with an owner* to ~~improve~~ *build* residential real estate, *by providing two or more special skills as defined in this section*. A residential building contractor may also contract or offer to contract *with an owner* to improve existing residential real estate.

Sec. 6. Minnesota Statutes 1992, section 326.83, subdivision 10, is amended to read:

Subd. 10. [SPECIALTY CONTRACTOR.] "Specialty contractor" means a person ~~other than a residential building contractor, remodeler, or material supplier~~ in the business of contracting or offering to contract to ~~make part of an improvement to build or improve~~ residential real estate, *including roofing by providing one special skill as defined in this section*.

Sec. 7. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

Subd. 11. [SPECIAL SKILL.] "*Special skill*" means one of the following eight categories:

(a) [EXCAVATION.] *Excavation includes work in any of the following areas:*

- (1) *excavation;*
- (2) *trenching;*
- (3) *grading;*
- (4) *site grading; and*
- (5) *septic systems.*

(b) [MASONRY AND CONCRETE.] *Masonry and concrete includes work in any of the following areas:*

- (1) *drain systems;*

- (2) poured walls;
- (3) slabs and poured-in-place footings;
- (4) masonry walls;
- (5) masonry fireplaces;
- (6) masonry veneer; and
- (7) water resistance and waterproofing.

(c) [CARPENTRY.] Carpentry includes work in any of the following areas:

- (1) rough framing;
- (2) finish carpentry;
- (3) siding;
- (4) doors, windows, and skylights;
- (5) exterior covering;
- (6) porches and decks;
- (7) wood foundations;
- (8) insulation and vapor barrier;
- (9) drywall installation, excluding taping and finishing;
- (10) cabinet and counter top installation;
- (11) wood floors;
- (12) installation of roofing materials, excluding roofing; and
- (13) soffit, fascia, and trim.

(d) [INTERIOR FINISHING.] Interior finishing includes work in any of the following areas:

- (1) floor covering;
- (2) wood floors;
- (3) cabinet and counter top installation;
- (4) insulation and vapor barriers;
- (5) interior or exterior painting;
- (6) ceramic, marble, and quarry tile;
- (7) ornamental guardrail and installation of prefabricated stairs; and
- (8) wallpapering.

(e) [EXTERIOR FINISHING.] Exterior finishing includes work in any of the following areas:

- (1) siding;
- (2) doors, skylights, and windows;
- (3) soffit, fascia, and trim;



(4) exterior plaster and stucco;

(5) painting; and

(6) rain carrying systems, including gutters and down spouts.

(f) [DRYWALL AND PLASTER.] Drywall and plaster includes work in any of the following areas:

(1) installation;

(2) taping;

(3) finishing;

(4) interior plaster;

(5) painting; and

(6) wallpapering.

(g) [ROOFING.] Roofing includes work in any of the following areas:

(1) roof coverings;

(2) roof sheathing;

(3) roof weatherproofing and insulation; and

(4) repair of roof support system, but not construction of new roof support system.

(h) [GENERAL INSTALLATION SPECIALTIES.] Installation includes work in any of the following areas:

(1) garage doors and openers;

(2) pools, spas, and hot tubs;

(3) fireplaces and wood stoves;

(4) asphalt paving and seal coating;

(5) exterior plaster and stucco; and

(6) ornamental guardrail and prefabricated stairs.

Sec. 8. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 12. [PERSON.] "Person" means a natural person, firm, partnership, limited liability company, corporation, or association, and the officers, directors, employees, or agents of that person.*

Sec. 9. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 13. [QUALIFYING PERSON.] "Qualifying person" means the individual who fulfills the examination and education requirements for licensure on behalf of the licensee.*

Sec. 10. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 14. [GROSS ANNUAL RECEIPTS.] "Gross annual receipts" means the total amount derived from residential contracting or remodeling activities, and must not be reduced by cost of goods sold, expenses, losses, or any other amount.*

Sec. 11. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 15. [AFFILIATE.] An "affiliate" of another person means any person directly or indirectly controlling, controlled by, or under common control with the other person.*

Sec. 12. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 16. [OWNER.] Except in section 326.91, subdivision 1, "owner" means a person who has any legal or equitable interest in real property. For purposes of sections 326.83 to 326.991, "owner" does not include a residential building contractor or residential remodeler who constructs or improves its own property for purposes of speculation. A residential building contractor or residential remodeler will be presumed to be building or improving for purposes of speculation if it constructs or improves more than one property within any 12-month period.*

Sec. 13. Minnesota Statutes 1992, section 326.83, is amended by adding a subdivision to read:

*Subd. 17. [LESSEE.] "Lessee" means one who rents residential real estate pursuant to a written lease agreement of at least one year's duration.*

Sec. 14. Minnesota Statutes 1992, section 326.84, subdivision 1, is amended to read:

Subdivision 1. [PERSONS REQUIRED TO BE LICENSED.] *A person who meets the definition of a residential remodeler as defined in section 326.83, subdivision 7, or a residential building contractor as defined in section 326.83, subdivision 8, must be licensed as a residential building contractor or residential remodeler.*

*Subd. 1a. [PERSONS WHO MAY BE LICENSED.] A person who meets the definition of a specialty contractor as defined in section 326.83, subdivision 10, may be licensed as a residential building contractor or residential remodeler unless required to be licensed by the state as a specialty contractor.*

*Subd. 1b. [PROHIBITION.] Except as provided in subdivision 3, no person may engage in the work of a persons required to be licensed by subdivision 1 may act or hold themselves out as residential building contractor, remodeler, or specialty contractor contractors or residential remodelers for compensation without a valid license issued by the commissioner. The commissioner shall recommend which types of one skill competency or single special skill groups must be licensed as specialty contractors and report to the legislature by January 31, 1992, with the recommended types of specialty groups, the licensing procedures, and potential continuing education requirements.*

*Subd. 1c. [LICENSING CRITERIA.] The examination and education requirements for licensure under sections 326.84 to 326.991 must be fulfilled by a qualifying person designated by the potential licensee. If the qualifying*

person is a managing employee, the qualifying person must be an employee who is regularly employed by the licensee and is actively engaged in the business of residential contracting or residential remodeling on behalf of the licensee. For a sole proprietorship, the qualifying person must be the proprietor or managing employee. For a partnership, the qualifying person must be a general partner or managing employee. For a limited liability company, the qualifying person must be a chief manager or managing employee. For a corporation, the qualifying person must be a chief executive officer or managing employee. A qualifying person for a corporation may act as a qualifying person for one additional corporation if one of the following conditions exists:

(1) there is a common ownership of at least 25 percent of each licensed corporation for which the person acts in a qualifying capacity; or

(2) one corporation is a subsidiary of another corporation for which the same person acts in a qualifying capacity. "Subsidiary," as used in this section, means a corporation of which at least 25 percent is owned by the parent corporation.

Sec. 15. Minnesota Statutes 1992, section 326.84, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS EXEMPTIONS.] The license requirement does not apply to:

- (1) an employee of a licensee performing work for the licensee;
- (2) a material person, manufacturer, or retailer furnishing finished products, materials, or articles of merchandise who does not install or attach the items;
- (3) an owner or owners of residential real estate who improve the residential real estate or who build or improve a structure on the residential real estate and who do the work themselves or jointly with the owner's own employees or agents. This exemption does not apply to a person who engages in a pattern of building or improving real estate for purposes of resale. Such a pattern is presumed to exist if the person sells more than one property so built or improved within any 12-month period;
- (4) an architect or engineer engaging in professional practice as defined in this chapter;
- (5) a person engaging in any project by one or more contracts, for which the aggregate contract price, including labor, materials, installation, and all other items, is less than \$2,500. The \$2,500 limit may be exceeded by the unlicensed person if the person's whose total gross annual receipts from projects regulated under this section do not exceed \$15,000;
- (6) a mechanical contractor, plumber, or electrician;
- (7) a person doing excavation for the installation of an on-site sewage treatment system;
- (8) all specialty contractors that were required to be licensed by the state before the effective date of Laws 1991, chapter 306, sections 7 to 22; and a plumber, electrician, or other person whose profession is otherwise subject to statewide licensing, when engaged in the activity which is the subject of licensure;

(9) (8) specialty contractors that are not required to be licensed, as determined by the legislature, who provide only one special skill as defined in section 326.83;

(9) a school district, or a technical college governed under chapter 136C; and

(10) manufactured housing installers.

To qualify for the exemption in clause (5), a person must obtain a certificate of exemption from licensing from the commissioner.

A certificate of exemption will be issued upon the applicant's filing with the commissioner, an affidavit stating that the applicant does not expect to exceed \$15,000 in gross annual receipts derived from contracting activities during the calendar year for which the exemption is requested.

To renew the exemption in clause (5), the applicant must file an affidavit stating that the applicant did not exceed \$15,000 in gross annual receipts during the past calendar year, and the applicant does not expect to exceed \$15,000 in gross annual receipts during the calendar year for which the exemption is requested.

If a person, operating under the exemption in clause (5), exceeds \$15,000 in gross receipts during any calendar year, the person must immediately surrender the exemption certificate and apply for the appropriate license. The person must remain licensed until such time as the person's gross annual receipts during a calendar year fall below \$15,000. The person may then apply for this exemption for the next calendar year.

Sec. 16. Minnesota Statutes 1992, section 326.85, subdivision 1, is amended to read:

Subdivision 1. [BUILDERS STATE ADVISORY COUNCIL.] The commissioner shall appoint seven ~~eight~~ persons to the builders state advisory council. At least three members of the council must reside in greater Minnesota, as defined in section 116O.02, subdivision 5. At least one member of the council must be a residential building contractor, one a residential remodeler, one a specialty contractor, one a representative of the commissioner, one a local building official, and one a public member ~~and one a representative of organized labor designated by the AFL-CIO, this member shall not be subject to the membership term limits under section 15.059.~~

Sec. 17. Minnesota Statutes 1992, section 326.86, is amended to read:

326.86 [FEES.]

Subdivision 1. [LICENSING FEE.] The licensing fee for residential building contractors and remodelers persons licensed pursuant to sections 326.83 to 326.991 is \$60 for the license period ending March 31, 1993, and \$75 for each per year thereafter. The commissioner may adjust the fees under section 16A.128 to recover the costs of administration and enforcement. The commissioner shall establish licensing fees for specialty contractors under section 16A.128. The fees must be limited to the cost of license administration and enforcement and must be deposited in the state treasury and credited to the general fund. A fee of \$25 will be charged for a duplicate license or an amended license reflecting a change of business name, address, or qualifying person.

Subd. 2. [LOCAL SURCHARGE.] A local government unit may place a surcharge in an amount no greater than \$5 on each building permit that

requires a licensed residential building contractor, residential remodeler, or specialty contractor for the purpose of license verification. The local government may verify a license by telephone or facsimile machine.

Sec. 18. Minnesota Statutes 1992, section 326.87, subdivision 2, is amended to read:

Subd. 2. [HOURS.] A licensee *qualifying person* of a general residential contractor or remodeler licensee must provide proof of completion of 15 seven hours for each two-year license period. Continuing real estate hours and continuing general residential contractor or remodeler hours must be granted for the same course if it meets the guidelines for an approved course in each license program of continuing education per year. To the extent the commissioner considers it appropriate, courses or parts of courses may be considered to satisfy both continuing education requirements under this section and continuing real estate education requirements.

Sec. 19. [326.875] [NOTICE OF CHANGE.]

Written notice must be given to the commissioner by each licensee of any change in personal name, trade name, qualifying person, address or business location not later than 15 business days after the change. The commissioner shall issue an amended license, if required, for the unexpired period.

Sec. 20. Minnesota Statutes 1992, section 326.88, is amended to read:

326.88 [TEMPORARY LICENSES LOSS OF QUALIFYING PERSON.]

A temporary license must be issued to residential building contractors, remodelers, or specialty contractors if the person who obtained a license under section 326.84, subdivision 2, clause (2) or (3), leaves the partnership or corporation because of death, disability, retirement, or position change. A temporary license expires after one year and may not be renewed. Upon the departure or disqualification of a licensee's qualifying person because of death, disability, retirement, position change, or other reason, the licensee must notify the commissioner within 15 business days. The licensee shall have 120 days from the departure of the qualifying person to obtain a new qualifying person. Failure to secure a new qualifying person within 120 days will result in the automatic termination of the license.

Sec. 21. Minnesota Statutes 1992, section 326.89, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The application must include the following information regarding the applicant:

- (1) Minnesota workers' compensation insurance account number certificate;
- (2) employment insurance account number;
- (3) certificate of liability insurance;
- (4) type of license requested;
- (4) (5) name and address of the applicant if the applicant is a sole proprietorship; name and address of each partner if the applicant is a partnership; or name and address of each of the corporate officers, directors, and all shareholders holding more than five percent of the outstanding stock in the corporation;

(i) name and address of the applicant's qualifying person, if other than applicant; and

(ii) if the applicant is a sole proprietorship, the name and address of the sole proprietor; if applicant is a partnership, the name and address of each partner; if the applicant is a limited liability company, the name and address of each governor and manager; if applicant is a corporation, the name and address of each of the corporate officers, directors, and all shareholders holding more than ten percent of the outstanding stock in the corporation;

(5) (6) whether the applicant or qualifying person has ever been licensed in this or any other state and has had a professional or vocational license refused, suspended, or revoked, or has been the subject of any administrative action;

(6) (7) whether the applicant, qualifying person, or any of ~~its~~ the applicant's corporate or partnership directors, limited liability company governors, officers, limited or general partners, managers, or all shareholders holding more than five ten percent of the outstanding stock share of the corporation that have been issued, or all members holding more than ten percent of the voting power of the membership interests that have been issued, has been convicted of a crime that either related directly to the business for which the license is sought or involved fraud, misrepresentation, or misuse of funds; has suffered a judgment in a civil action involving fraud, misrepresentation, negligence, or breach of contract, or conversion within the ten years prior to the submission of the application; or has had any government license or permit suspended or revoked as a result of an action brought by a federal, state, or local governmental unit or agency in this or any other state;

(7) the applicant's education and experience as they relate to the requested type of license; and

(8) the applicant's and qualifying person's business history for the past five years and whether the applicant or qualifying person has ever filed for bankruptcy or protection from creditors or has any unsatisfied judgments against the applicant or qualifying person; and

(9) whether the qualifying person is the qualifying person for more than one licensee.

For purposes of this subdivision, "applicant" includes employees who exercise management or policy control over the residential contracting and remodeling activities in the state of Minnesota, including affiliates, partners, directors, governors, officers, limited or general partners, managers, all shareholders holding more than ten percent of the shares that have been issued, a shareholder holding more than ten percent of the voting power of the shares that have been issued, or all members holding more than ten percent of the membership interests that have been issued or more than ten percent of the voting power of the membership interests that have been issued.

The commissioner may require further information as the commissioner deems appropriate to administer the provisions and further the purposes of this chapter.

Sec. 22. Minnesota Statutes 1992, section 326.89, subdivision 3, is amended to read:

Subd. 3. [EXAMINATION.] All individual applicants. Each qualifying person must satisfactorily complete a written examination for the type of license requested. The commissioner may establish the examination qualifications, including related education experience and education, the examination procedure, and the examination for each licensing group. The examination must include at a minimum the following areas:

(1) appropriate knowledge of technical terms commonly used and the knowledge of reference materials and code books to be used for technical information; and

(2) understanding of the general principles of business management and other pertinent state laws.

Each examination must be designed for the specified type of license requested. The council shall advise the commissioner on the grading, monitoring, and updating of examinations.

Sec. 23. Minnesota Statutes 1992, section 326.89, is amended by adding a subdivision to read:

*Subd. 3a. [ELIGIBILITY.] Any person may take the license examination. After satisfactorily completing the examination, an individual may be designated as the qualifying person for a licensee at any time, if the individual has also fulfilled the continuing education requirements set forth in section 326.87 in the manner required for the qualifying person of a licensee.*

Sec. 24. Minnesota Statutes 1992, section 326.89, is amended by adding a subdivision to read:

*Subd. 6. [ADDITIONAL LICENSING REQUIREMENTS.] As an alternative to denying an application for licensure pursuant to section 326.91, subdivision 1, the commissioner may, as a condition of licensure and based upon information received pursuant to section 326.89, subdivision 2, clauses (6) to (8), or a finding pursuant to section 326.91, subdivision 1, clauses (1) to (9), impose additional insurance, bonding, reporting, record keeping, and other requirements on the applicant as are necessary to protect the public.*

Sec. 25. Minnesota Statutes 1992, section 326.90, is amended to read:

**326.90 [LOCAL LICENSE PROHIBITED.]**

Except as provided in section 326.991, a political subdivision may not require a residential building contractor, remodeler, or specialty contractor person licensed under sections 326.83 to 326.991 to also be licensed under any ordinance, law, rule, or regulation of the political subdivision. This section does not prohibit charges for building permits or other charges not directly related to licensure.

Sec. 26. Minnesota Statutes 1992, section 326.91, subdivision 1, is amended to read:

*Subdivision 1. [CAUSE.] The commissioner may by order deny, suspend, or revoke any license or may censure a licensee, and may impose a civil penalty as provided for in section 45.027, subdivision 6, if the commissioner finds that the order is in the public interest, and that the applicant or licensee, or affiliate of an applicant or licensee, or other agent, owner, partner, director, governor, shareholder, member, officer, qualifying person, or managing employee of the applicant or licensee or any person occupying a similar status or performing similar functions:*

(1) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(2) has engaged in a fraudulent, deceptive, or dishonest practice;

(3) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the business;

(4) has failed to reasonably supervise employees, agents, subcontractors, or salespersons, or has performed negligently or in breach of contract, so as to cause injury or harm to the public;

(5) has violated or failed to comply with any provision of sections 326.83 to 326.98 or any rule or order under sections 326.83 to 326.98;

(6) has been shown to be incompetent, untrustworthy, or financially irresponsible;

(7) has been convicted of a violation of the state building code;

(8) has failed to use the proceeds of any payment made to the licensee for the construction of, or any improvement to, residential real estate, as defined in section 326.83, subdivision 9, for the payment of labor, skill, material, and machinery contributed to the construction or improvement, knowing that the cost of any labor performed, or skill, material, or machinery furnished for the improvement remains unpaid; or

(9) has not furnished to the person making payment either a valid lien waiver as to any unpaid labor performed, or skill, material, or machinery furnished for an improvement, or a payment bond in the basic amount of the contract price for the improvement conditioned for the prompt payment to any person or persons entitled to payment;

(10) has engaged in conduct which was the basis for a contractor's recovery fund payment pursuant to section 326.975, which payment has not been reimbursed; or

(11) has engaged in bad faith, unreasonable delays, or frivolous claims in defense of a civil lawsuit arising out of their activities as a licensee under this chapter.

Sec. 27. Minnesota Statutes 1992, section 326.91, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATIVE ACTION.] Section 45.027 applies to any action taken by the commissioner in connection with the administration of sections 326.83 to ~~326.98~~ 326.991.

*Nothing in this section prevents the commissioner from denying, suspending, revoking, or restricting a license, or from censuring a licensee based on acts or omissions not specifically enumerated in this subdivision.*

Sec. 28. Minnesota Statutes 1992, section 326.92, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANOR.] A person required to be licensed under sections 326.83 to ~~326.98~~ 326.991 who performs unlicensed work as a residential building contractor, remodeler, or specialty contractor is guilty of a misdemeanor.

Sec. 29. Minnesota Statutes 1992, section 326.92, subdivision 3, is amended to read:



Subd. 3. [COMMISSIONER ACTION.] The commissioner may bring actions, including cease and desist actions, against ~~an unlicensed or licensed residential building contractor, remodeler, or specialty contractor~~ any person licensed or required to be licensed under sections 326.83 to 326.991 to protect the public health, safety, and welfare.

Sec. 30. Minnesota Statutes 1992, section 326.93, subdivision 1, is amended to read:

Subdivision 1. [LICENSE.] A nonresident of Minnesota may be licensed as a residential building contractor, ~~or residential remodeler, or specialty contractor~~ upon compliance with all the provisions of sections 326.83 to ~~326.98~~ 326.991.

Sec. 31. Minnesota Statutes 1992, section 326.94, subdivision 2, is amended to read:

Subd. 2. [INSURANCE.] ~~Residential building contractors, remodelers, and specialty contractors~~ Licensees must have public liability insurance with limits of at least \$100,000 per occurrence and, which must include at least \$10,000 property damage insurance coverage. The commissioner may increase the minimum amount of insurance required based on the type of license and the annual gross receipts of the licensee for any licensee or class of licensees if the commissioner considers it to be in the public interest and necessary to protect the interests of Minnesota consumers.

Sec. 32. [326.951] [DISCLOSURES.]

*If a licensee sells or offers to sell residential property, constructed by the licensee, which is or has been occupied by the licensee, the licensee must, prior to entering into a binding purchase agreement, provide to the buyer a written disclosure which states that any claims that arise as a result of the licensee's construction of the property: (1) will not be covered under the statutory warranty established by chapter 327A, and (2) if the licensee has occupied the residential property for one year or more, will not be eligible for reimbursement from the contractor's recovery fund.*

Sec. 33. Minnesota Statutes 1992, section 326.97, subdivision 1, is amended to read:

Subdivision 1. [~~APPROVAL~~ RENEWAL.] Licensees whose applications have been properly and timely filed and who have not received notice of denial of renewal are considered to have been approved for renewal and may continue to transact business whether or not the renewed license has been received. ~~Application for renewal of a license is required every two years after the initial issuance.~~ Applications are timely if received or postmarked by ~~December 15~~ March 1 of the year prior to the renewal year. Applications must be made on a form approved by the commissioner.

Sec. 34. Minnesota Statutes 1992, section 326.97, is amended by adding a subdivision to read:

*Subd. 1a. [ANNUAL RENEWAL.] Any license issued or renewed after August 1, 1993, must be renewed annually.*

Sec. 35. [326.975] [CONTRACTOR'S RECOVERY FUND.]

*Subdivision 1. [GENERALLY.] (a) In addition to any other fees, each applicant shall pay a fee to the contractor's recovery fund. The contractor's*

recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.34 with the following exceptions:

(1) each licensee who renews a license shall pay in addition to the appropriate renewal fee an additional fee which shall be credited to the contractor's recovery fund. The amount of the fee shall be based on the licensee's gross annual receipts for the calendar or fiscal year immediately preceding the renewal, on the following scale:

Fee	Gross Receipts
\$100	under \$1,000,000
\$150	\$1,000,000 to \$5,000,000
\$200	over \$5,000,000

Any person who receives a new license shall pay a fee based on the same scale;

(2) the sole purpose of this fund is to compensate any aggrieved owner or lessee of residential property who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 11, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after March 31, 1994; and

(3) nothing may obligate the fund for more than \$50,000 per claimant, nor more than \$50,000 per licensee.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least \$40,000.

Subd. 2. [ACCELERATED CLAIMS PAYMENT.] Recovery fund claims that do not exceed the jurisdiction limits for conciliation court matters as specified in section 487.30 shall be paid on an accelerated basis if all of the following requirements have been satisfied:

(a) When any aggrieved person obtains a judgment in any court of competent jurisdiction, regardless of whether the judgment has been discharged by a bankruptcy court against a residential building contractor or residential remodeler on grounds specified in subdivision 1, paragraph (a), clause (2), the aggrieved person may file a verified application with the commissioner for payment out of the fund of the amount of actual and direct out-of-pocket loss in the transaction, but excluding any attorney fees, interest on the loss and on any judgment obtained as a result of the loss, up to the conciliation court jurisdiction limits, of the amount unpaid upon the judg-

ment. For purposes of this section, persons who are joint tenants or tenants in common are deemed to be a single claimant.

(b) The commissioner has sent the licensee a copy of the verified application by first-class mail to the licensee's address as it appears in the records of the department of commerce with a notice that the claim will be paid 15 days from the date of the notice unless the licensee notifies the commissioner prior to that date of the commencement of an appeal of the judgment, if the time for appeal has not expired, and that payment of the claim will result in automatic suspension of the licensee's license.

(c) If the licensee does not notify the commissioner of the commencement of an appeal, the commissioner shall pay the claim at the end of the 15-day period.

(d) If an appeal is commenced, the payment of the claim is stayed until the conclusion of the appeal.

(e) The commissioner may pay claims which total no more than \$15,000 against the licensee under this accelerated process. The commissioner may prorate the amount of claims paid under this subdivision if claims in excess of \$15,000 against the licensee are submitted. Any unpaid portions of such claims shall be satisfied in the manner set forth in subdivision 1.

Sec. 36. Minnesota Statutes 1992, section 326.99, is amended to read:

326.99 [INITIAL TEMPORARY LICENSES.]

Residential building contractors and residential remodelers must obtain a temporary license, which is effective as of January 1, 1992. The commissioner may stagger the temporary licenses so that approximately one-half of the licenses will expire on March 31, 1993, and the other one-half on March 31, 1994. For residential building contractors and remodelers whose initial temporary license expires March 31, 1993, the commissioner upon receipt of a written request and upon payment of the appropriate license renewal fee by the licensee shall extend the examination deadline until March 31, 1994. In 1994, in addition to the established examination sites, and at no additional costs to the examination candidate, the examination must be made available at least once at five additional sites throughout the state. The additional examination sites must be located whenever possible at public schools or technical colleges.

Sec. 37. Minnesota Statutes 1992, section 326.991, is amended to read:

326.991 [EXEMPTION EXCEPTION.]

*Subdivision 1.* The license requirement under section 326.84 does not apply to a residential building contractor, residential remodeler, or specialty contractor licensed by the city of St. Paul or the city of Minneapolis and who is performing work within the legal boundaries of one of those municipalities. The two cities shall adopt and administer the tests for the residential building contractors and remodelers established in section 326.89 within six months of the effective date of the rules establishing the examinations.

*This subdivision expires March 31, 2000.*

*Subd. 2.* The commissioner may by rule establish a procedure for contract with the city of Minneapolis and the city of St. Paul to administer this licensing program on a contract basis.

Sec. 38. [MANUFACTURED HOME INSTALLERS.]

*Manufactured home installers as defined in Minnesota Statutes, section 326.83, subdivision 4b, are not subject to Minnesota Statutes, section 326.975. Manufactured home installers as defined in Minnesota Statutes, section 326.83, subdivision 4b, are subject to Laws 1993, chapter 9, except that the bond requirement shall be \$2,500.*

Sec. 39. [REPEALER.]

*Minnesota Statutes 1992, sections 326.84, subdivision 2; and 326.94, subdivision 1, are repealed.*

Sec. 40. [EFFECTIVE DATE.]

*Section 15 is effective August 1, 1993, but the certificate of exemption requirement for those persons claiming an exemption pursuant to clause (5) of section 15 shall not be effective until March 31, 1994."*

Delete the title and insert:

"A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; and 326.94, subdivision 1."

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. Marty from the Committee on Ethics and Campaign Reform, to which was referred

H.F. No. 163: A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain "friends of" committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms;

clarifying certain language; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B:15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

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 1992, section 10A.01, is amended by adding a subdivision to read:

*Subd. 9a. [ELECTION CYCLE.] “Election cycle” means the period from January 1 following a general election for an office to December 31 following the next general election for that office, except that “election cycle” for a special election means the period from the date the special election writ is issued to 60 days after the special election is held.*

Sec. 2. Minnesota Statutes 1992, 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. An expenditure by a political party or political party unit, as defined in section 10A.275, subdivision 3, in a race where the political party has a candidate on the ballot is not an independent expenditure.*

Sec. 3. Minnesota Statutes 1992, section 10A.01, subdivision 10c, is amended to read:

*Subd. 10c. [NONCAMPAIGN DISBURSEMENT.] “Noncampaign disbursement” means a purchase or payment of money or anything of value made, or an advance of credit incurred, by a political committee, political fund, or principal campaign committee for any purpose other than to influence the nomination or election of a candidate or to promote or defeat a ballot question.*

*Noncampaign disbursement includes any of the following purposes:*

- (a) Payment for accounting and legal services;
- (b) Return of a contribution to the source;
- (c) Repayment of a loan made to the political committee, political fund, or principal campaign committee by that committee or fund;
- (d) Return of money from the state elections campaign fund a public subsidy;

(e) Payment for food, beverages, entertainment, and facility rental for a fundraising event;

(f) Services for a constituent by a member of the legislature or a constitutional officer in the executive branch, performed from the beginning of the term of office to 60 days after adjournment sine die of the legislature in the election year for the office held, and half the cost of services for a constituent by a member of the legislature or a constitutional officer in the executive branch performed from adjournment sine die to 45 days after adjournment sine die;

(g) A donation in kind given to the political committee, political fund, or principal campaign committee for purposes listed in clauses (e) and (f);

(h) Payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities;

(i) Payment of expenses incurred by elected or appointed leaders of a legislative caucus in carrying out their leadership responsibilities;

(j) Payment by a principal campaign committee of the candidate's expenses for serving in public office;

(k) Costs for child care for the candidate's children when campaigning;

(l) Fees paid to attend a campaign school;

(m) Costs of a postelection party during the election year when a candidate's name will no longer appear on a ballot or the general election is concluded, whichever occurs first;

(n) Interest on loans paid by a principal campaign committee on outstanding loans;

(o) Filing fees; and

(p) Postgeneral election thank-you notes or advertisements in the news media.

The board shall determine whether an activity involves a noncampaign disbursement within the meaning of this subdivision; and

(h) Payment for food and beverages provided to campaign volunteers while they are engaged in campaign activities.

Sec. 4. Minnesota Statutes 1992, section 10A.01, is amended by adding a subdivision to read:

*Subd. 29. [POPULATION.] "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, by an estimate made by the metropolitan council, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.*

Sec. 5. Minnesota Statutes 1992, section 10A.065, subdivision 1, is amended to read:

**Subdivision 1. [REGISTERED LOBBYIST CONTRIBUTIONS; LEGISLATIVE SESSION.]** A candidate for the legislature or for constitutional office, a candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by

the candidate, or the party organization within a house of the legislature, shall not solicit or accept a contribution on behalf of the a candidate's principal campaign committee, any other political committee with the candidate's name or title, or any committee authorized by the candidate, or the party organization, from a registered lobbyist, political committee, or political fund during a regular session of the legislature or during the 30 days immediately preceding a regular session of the legislature.

Sec. 6. Minnesota Statutes 1992, section 10A.065, subdivision 5, is amended to read:

Subd. 5. [POLITICAL COMMITTEE.] This section does not apply to a political committee established by a state political party; by the party organization within a congressional district, county, legislative district, municipality, or precinct; by all or part of the party organization within each house of the legislature, except for individual members; by a candidate for a judicial office; or to a member of such a political committee acting solely on behalf of the committee.

Sec. 7. Minnesota Statutes 1992, section 10A.12, subdivision 5, is amended to read:

Subd. 5. Notwithstanding subdivision 1, any association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. *Dues and membership fees must not be commingled in the same fund as contributions and may not be used to make contributions to candidates or to make independent expenditures except as targeted to inform solely the association's own dues-paying or fee-paying members of the association's position on an issue or a candidate.* Pursuant to section 10A.20, the treasurer of the each fund shall disclose the name of any member whose dues, and membership fees and or contributions deposited in the political fund together equal or exceed \$100 \$50 in any one year.

Sec. 8. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 3c. [RELATED COMMITTEES.] *An individual, association, political committee, or political fund may establish, finance, maintain, or control a political committee or political fund. One who does this is a "parent." The political committee or fund so established, financed, maintained, or controlled is a "subsidiary." If the parent is an association, the association must create a political committee or political fund to serve as the parent for reporting purposes. A subsidiary must report its contribution to a candidate or principal campaign committee as attributable to its parent, and the contribution is counted toward the contribution limits in section 10A.27 of the parent as well as of the subsidiary.*

Sec. 9. Minnesota Statutes 1992, section 10A.15, is amended by adding a subdivision to read:

Subd. 5. [POLITICAL COMMITTEE OR POLITICAL FUND REGISTRATION NUMBER ON CHECKS.] *A contribution made to a candidate by a political committee or political fund must show the name of the political committee or fund and the number under which it is registered with the board.*

Sec. 10. Minnesota Statutes 1992, section 10A.16, is amended to read:

10A.16 [EARMARKING CONTRIBUTIONS PROHIBITED.]

Any An individual, political committee or political fund which receives may not solicit or accept a contribution from any source with the express or implied condition that the contribution or any part of it be directed to a particular candidate shall disclose to the ultimate recipient, and in the reports required by section 10A.20, the original source of the contribution, the fact that the contribution is earmarked and the candidate to whom it is directed. The ultimate recipient of any contribution so earmarked shall also disclose the original source and the individual, political committee, or political fund through which it is directed. This section applies only to contributions required to be disclosed by section 10A.20, subdivision 3, clause (b). Any other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution and fails to make the required disclosure is guilty of a gross misdemeanor.

Sec. 11. Minnesota Statutes 1992, section 10A.17, subdivision 5, is amended to read:

Subd. 5. Any person who knowingly violates the provisions of subdivision 2 or 4, or who falsely claims that the candidate has not approved the expenditure or activity is guilty of a misdemeanor. A person who knowingly violates the provisions of subdivision 4 or falsely claims that the candidate has not approved the expenditure or activity is guilty of a gross misdemeanor.

Sec. 12. Minnesota Statutes 1992, section 10A.19, subdivision 1, is amended to read:

Subdivision 1. No candidate shall accept contributions from any source, other than self, in aggregate in excess of \$100 or any money from the state elections campaign fund a public subsidy unless the candidate designates and causes to be formed a single principal campaign committee for each office sought. A candidate may not authorize, designate, or cause to be formed any other political committee bearing the candidate's name or title or otherwise operating under the direct or indirect control of the candidate. However, a candidate may be involved in the direct or indirect control of a party unit as defined in section 10A.275, subdivision 3.

A political committee bearing a candidate's name or title or otherwise operating under the direct or indirect control of the candidate, other than a principal campaign committee of the candidate, may not accept contributions after the effective date of this section, and must be dissolved by December 31, 1993. Notwithstanding the prohibition on transfers in section 10A.27, subdivision 9, but subject to the contribution limits in section 10A.27, subdivision 1, a dissolving committee may transfer any or all of its assets to a political party, to the general fund, or to the principal campaign committee of a candidate who is not the incumbent of the office the transferee candidate is seeking.

Sec. 13. Minnesota Statutes 1992, section 10A.20, subdivision 3, is amended to read:

Subd. 3. [CONTENTS OF REPORT.] 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. *Contributions that are bundled for delivery to the party organization within a house of the legislature must be reported as contributions from the individual, political committee, or political fund that makes the delivery as well as from the individual, political committee, or political fund that was the source of the contribution, except that a delivery made by an individual on behalf of the individual's spouse need not be reported as a contribution by the individual.* 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 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 sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) 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;

(j) 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) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) Except for contributions to a candidate or committee for a candidate for office in a municipality as defined in section 471.345, subdivision 1, the name and address of each individual or association to whom aggregate noncampaign disbursements in excess of \$100 have been made within the year by or on behalf of a principal campaign committee, political committee, or political fund, together with the amount, date, and purpose of each noncampaign disbursement; and

(m) The sum of all noncampaign disbursements made within the year by or on behalf of a principal campaign committee, political committee, or political fund.

Sec. 14. Minnesota Statutes 1992, section 10A.20, is amended by adding a subdivision to read:

*Subd. 6b. [INDEPENDENT EXPENDITURES; NOTICE.] (a) Within 24 hours after an individual, political committee, or political fund makes or becomes obligated by oral or written agreement to make an independent expenditure in excess of \$100, other than an expenditure by an association targeted to inform solely its own dues-paying members of the association's position on a candidate, they shall file with the board and with all candidates in the affected race and the treasurers of their principal campaign committees a notice of their intent to make the expenditure. The notice must contain the information with respect to the expenditure that is required to be reported under subdivision 3, paragraph (g). Each new expenditure requires a new notice.*

*(b) An individual or the treasurer of a political committee or political fund who fails to give notice as required by this subdivision is guilty of a misdemeanor and is subject to a civil fine of three times the amount of the independent expenditure of which notice was required.*

Sec. 15. Minnesota Statutes 1992, section 10A.24, subdivision 1, is amended to read:

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. "Assets" include credit balances at vendors and physical assets such as computers and postage stamps. Physical assets must be listed at their fair market value. The termination report may be made at any time and shall include all information required in periodic reports.

Sec. 16. Minnesota Statutes 1992, section 10A.25, subdivision 2, is amended to read:

Subd. 2. ~~In~~ During the two-year period including a year in which an election is held for an office sought by a candidate and the year before, no expenditures shall be made by the principal campaign committee of that candidate, nor any approved expenditures made on behalf of that candidate which expenditures and approved expenditures result in an aggregate amount in excess of the following:

(a) For governor and lieutenant governor, running together, \$1,626,691 \$1,500,000;

(b) For attorney general, \$271,116 \$250,000;

(c) For secretary of state, state treasurer, and state auditor, separately, \$135,559 \$125,000;

(d) For state senator, \$40,669 \$40,000;

(e) For state representative, \$20,335 \$20,000.

*If a special election cycle occurs during a general election cycle, expenditures by or on behalf of a candidate in the special election do not count as expenditures by or on behalf of the candidate in the general election.*

*The expenditure limits in this subdivision for an office are increased by ten percent for a candidate who is running for that office for the first time and who has not run previously for any other office whose territory now includes a population that is more than one-third of the population in the territory of the new office.*

Sec. 17. Minnesota Statutes 1992, section 10A.25, subdivision 6, is amended to read:

Subd. 6. In any year following an election year for the office held or sought, the aggregate amount of expenditures by and approved expenditures on behalf of a candidate for or holder of that office shall not exceed ~~one-fourth~~ 15 percent of the expenditure limit set forth in subdivision 2.

Sec. 18. Minnesota Statutes 1992, section 10A.25, subdivision 10, is amended to read:

Subd. 10. [EFFECT OF OPPONENT'S AGREEMENT.] (a) 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.

(b) 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:

(i) is no longer bound by the limits, including those in section 10A.324, subdivision 1, paragraph (c); and

(ii) is eligible to receive a public subsidy;

(iii) also receives the opponent's share of the general account public subsidy under section 10A.31; and

(iv) must be paid an additional public subsidy so that the total public subsidy paid under section 10A.31 and this subdivision equals the amount spent by the opponent.

(c) The additional subsidy must be paid at the same time as payments of the public subsidy under section 10A.31, plus an additional payment by February 15 following the election and based on the final campaign finance report due

January 31. The amount needed to pay the additional public subsidy under this subdivision is appropriated from the general fund.

For purposes of this subdivision, "otherwise eligible to receive a public subsidy" means that a candidate meets the requirements of sections 10A.31, 10A.315, 10A.321, and 10A.322, but does not mean that the candidate has filed an affidavit of matching funds under section 10A.323.

Sec. 19. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

*Subd. 11. [INDEPENDENT EXPENDITURES; LIMITS INCREASED.] The expenditure limits imposed by this section are increased by the sum of independent expenditures made in opposition to the candidate or on behalf of a candidate's major political party opponents, other than expenditures by an association targeted to inform solely its own dues-paying members of the association's position on a candidate. Upon receipt of an expenditure report or notice required by section 10A.20, subdivision 3, 6, or 6b, the board shall notify the candidate of the increase in the expenditure limit. Within five days after providing this notice, the board shall pay the candidate an additional public subsidy equal to the amount of the independent expenditure. The amount needed to pay the additional public subsidy under this subdivision is appropriated from the general fund.*

Sec. 20. Minnesota Statutes 1992, section 10A.25, is amended by adding a subdivision to read:

*Subd. 12. [UNUSED POSTAGE AND CREDIT BALANCES CARRIED FORWARD.] Postage that is purchased but not used during an election cycle and credit balances at vendors that exceed a combined total of \$500 must be carried forward and counted as expenditures during the election cycle during which they are used.*

Sec. 21. Minnesota Statutes 1992, section 10A.27, subdivision 1, is amended to read:

Subdivision 1. [CONTRIBUTION LIMITS.] Except as provided in subdivisions 2 and 6, no candidate shall permit the candidate's principal campaign committee to accept aggregate contributions ~~from~~ made or delivered by any individual, political committee, or political fund in excess of the following:

(a) To candidates for governor and lieutenant governor running together, ~~\$20,000~~ \$1,000 in an election year for the office sought and ~~\$3,000~~ \$100 in other years;

(b) To a candidate for attorney general, ~~\$10,000~~ \$500 in an election year for the office sought and ~~\$2,000~~ \$100 in other years;

(c) To a candidate for the office of secretary of state, state treasurer or state auditor, ~~\$5,000~~ \$200 in an election year for the office sought and ~~\$1,000~~ \$100 in other years;

(d) To a candidate for state senator, ~~\$1,500~~ \$200 in an election year for the office sought and ~~one-third of that amount~~ \$100 in other years; and

(e) To a candidate for state representative, ~~\$750~~ \$200 in an election year for the office sought and ~~one-third of that amount~~ \$100 in the other year.

*Contributions that are bundled for delivery to a candidate's principal campaign committee are counted as contributions from the individual, political committee, or political fund that makes the delivery as well as from the individual, political committee, or political fund that was the source of the contribution, except that a delivery made by an individual on behalf of the individual's spouse is not counted as a contribution by the individual.*

Sec. 22. Minnesota Statutes 1992, section 10A.27, subdivision 2, is amended to read:

Subd. 2. No candidate shall permit the candidate's principal campaign committee to accept contributions from any political party in excess of five ten times the amount that may be contributed to that candidate by a political committee as set forth in subdivision 1.

Sec. 23. Minnesota Statutes 1992, section 10A.27, subdivision 9, is amended to read:

Subd. 9. (a) *A candidate or the treasurer of a candidate's principal campaign committee shall not accept in any calendar year aggregate contributions in an amount greater than the maximum amount allowed under subdivision 4 a transfer or contribution from another candidate's principal campaign committee or any other committee bearing the contributing candidate's name or title or otherwise authorized by the contributing candidate. A candidate's principal campaign committee shall not make a transfer or contribution to another candidate's principal campaign committee. A candidate may not accept a transfer or contribution from or make a transfer or contribution to a committee associated with a person who seeks nomination or election to the office of president, senator, or representative in Congress of the United States, or who is a candidate for local office under section 211A.01, subdivision 3.*

(b) *Notwithstanding paragraph (a), but subject to the contribution limits in subdivision 1, when a candidate's principal campaign committee is being dissolved, the committee may transfer any or all of its assets to a political party, to the general fund, or to the principal campaign committee of a candidate who is not the incumbent of the office the transferee candidate is seeking.*

Sec. 24. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 10. [PROHIBITED CONTRIBUTIONS.] *A candidate who accepts a public subsidy may not solicit or accept a contribution made or delivered by a lobbyist, political committee, or political fund, other than a political party. A candidate who accepts a public subsidy may not contribute more than \$5,000 to the candidate's own campaign.*

Sec. 25. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

Subd. 11. [CONTRIBUTIONS FROM CERTAIN TYPES OF CONTRIBUTORS.] *A candidate for governor or attorney general shall not permit the candidate's principal campaign committee to accept a contribution from an individual who contributes more than half the amount an individual may contribute, if the contribution will cause the aggregate contributions from those large contributors to exceed three percent of the candidate's expenditure limit.*

Sec. 26. Minnesota Statutes 1992, section 10A.27, is amended by adding a subdivision to read:

*Subd. 12. [CONTRIBUTIONS TO OTHER POLITICAL COMMITTEES OR FUNDS.] The treasurer of a political committee or fund, other than a candidate's principal campaign committee or a political party, may accept contributions only from individuals in amounts not more than \$50 per individual per year.*

Sec. 27. Minnesota Statutes 1992, section 10A.28, subdivision 2, is amended to read:

*Subd. 2. A candidate who permits the candidate's principal campaign committee to accept contributions in excess of the limits imposed by section 10A.27, and the treasurer of a political committee or political fund, other than a principal campaign committee, who permits the committee or fund to accept contributions in excess of the limits imposed by section 10A.27, shall be subject to a civil fine of up to four times the amount by which the contribution exceeded the limits.*

Sec. 28. Minnesota Statutes 1992, 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 returns were 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 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 biennial adjustment and settlement at the time of each certification required of the commissioner of revenue under subdivisions 7 and 10. If the total amount of payments received by a state committee for the period reflected on a certification by the department of revenue is different from the amount that should have been received during the period according to the certification, each subsequent monthly payment must be 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 *an equal share of* 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. 29. Minnesota Statutes 1992, section 10A.31, subdivision 6, is amended to read:

Subd. 6. ~~Within two weeks~~ *As soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week* after certification by the state canvassing board of the results of the primary, the ~~state treasurer board~~ shall distribute the available funds in each party account, as certified by the commissioner of revenue on September 15, to the candidates of that party who have signed the agreement as provided in section 10A.322, and whose names are to appear on the ballot in the general election, according to the allocations set forth in subdivision 5.

Sec. 30. Minnesota Statutes 1992, section 10A.31, subdivision 7, is amended to read:

Subd. 7. *Within two weeks* after certification by the state canvassing board of the results of the general election, the ~~state treasurer board~~ shall distribute the available funds in the general account, as certified by the commissioner of revenue on November 15 and according to allocations set forth in subdivision 5, in equal amounts to all candidates for each statewide office who received at least five percent of the votes cast in the general election for that office, and to all candidates for legislative office who received at least ten percent of the votes cast in the general election for the specific office for which they were candidates. The board shall not use the information contained in the report of the principal campaign committee of any candidate due ten days before the general election for the purpose of reducing the amount due that candidate from the general account:



Sec. 31. Minnesota Statutes 1992, section 10A.31, subdivision 10, is amended to read:

Subd. 10. [DISTRIBUTION.] In the event that on the date of either certification by the commissioner of revenue as provided in subdivisions 6 and 7, less than 98 percent of the tax returns have been processed, the commissioner of revenue shall certify to the board on by December 7 1 the amount accumulated in each account since the previous certification. ~~Within one week thereafter~~ By December 15, the board shall certify to the state treasurer the amount to be distributed ~~distribute~~ to each candidate according to the allocations as provided in subdivision 5. As soon as practicable thereafter, the state treasurer shall distribute the amounts to which the candidates are entitled in the form of checks made "payable to the campaign fund of .....(name of candidate)....." Any money accumulated after the final certification shall be maintained in the respective accounts for distribution in the next general election year.

Sec. 32. Minnesota Statutes 1992, section 10A.31, is amended by adding a subdivision to read:

Subd. 12. [UNOPPOSED CANDIDATE NOT ELIGIBLE.] A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public subsidy from the state elections campaign fund. The subsidy the candidate would otherwise have been eligible to receive from the party account must be paid to the candidate's political party to be used for multicandidate expenditures as provided in section 10A.275.

Sec. 33. [10A.312] [PUBLIC MATCHING SUBSIDY.]

Subdivision 1. [ELIGIBILITY.] (a) In addition to the subsidy payable from the state elections campaign fund, the board shall pay a public matching subsidy to a candidate who:

(1) is seeking an office for which voluntary spending limits are specified in section 10A.25;

(2) has designated a principal campaign committee;

(3) has signed and filed with the board an agreement to limit campaign expenditures as provided in section 10A.322 and is abiding by the agreement;

(4) has received contributions that exceed the threshold established by paragraph (b); and

(5) has submitted to the board the affidavits required by subdivision 3.

(b) The candidate must have received, since July 1 immediately preceding the election year, at least the following amounts:

(1) candidates for governor and lieutenant governor running together, \$25,000 in aggregate contributions of \$200 or less from each person eligible to vote in this state;

(2) candidates for attorney general, \$10,000 in aggregate contributions of \$200 or less from each person eligible to vote in this state;

(3) candidates for secretary of state, state treasurer, and state auditor, separately, \$4,000 in aggregate contributions of \$100 or less from each person eligible to vote in this state;

(4) candidates for the senate, \$2,000 in aggregate contributions of \$100 or less from each person eligible to vote in their district; and

(5) candidates for the house of representatives, \$1,000 in aggregate contributions of \$100 or less from each person eligible to vote in their district.

(c) A candidate who is unopposed in both the primary election and the general election is not eligible to receive a public matching subsidy under this section.

*Subd. 2. [AMOUNT.] The subsidy must be paid in an amount that will match the first \$50 of contributions received from each person eligible to vote in this state, up to a total of 20 percent of the candidate's expenditure limit. For legislative candidates, one-half of the matching contributions must have come from persons eligible to vote in the candidate's district. For the first general election after the legislature has been redistricted, "the candidate's district" includes both the new district and the old district where the candidate resided before the redistricting.*

*Subd. 3. [AFFIDAVITS.] In addition to the requirements of subdivision 1, the candidate or the candidate's treasurer shall file with the board an affidavit stating the total amount of contributions that have been received from persons eligible to vote in this state or in the district, as appropriate, and the total amount of those contributions received disregarding the portion of any contribution in excess of \$50. The affidavit must be filed by September 1 to receive the payment based on the results of the primary election, by October 1 to receive the payment made October 15, and by December 1 to receive the final payment for that election cycle.*

*Subd. 4. [PAYMENT DATES.] The board shall make the first payment of the public matching subsidy as soon as the board has obtained from the secretary of state the results of the primary election, but in any event no later than one week after certification by the state canvassing board of the results of the primary. The board shall make the second payment by October 15 of the election year, and the final payment by December 15 of the election year.*

Sec. 34. Minnesota Statutes 1992, section 10A.315, is amended to read:

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 coincides with the filing period for the general election, the candidate must meet the matching requirements of section 10A.323 and the special election subsidy must be distributed in the same manner as money is distributed to legislative candidates in a general election.

(c) If the filing period for the special election does not coincide with the filing period for the general election, the procedures in this paragraph apply. A candidate who wishes to receive this public subsidy must submit a signed agreement under section 10A.322 to the board not later than the day after the

candidate files the affidavit of candidacy or nominating petition for the office. ~~To receive a subsidy,~~ The candidate must meet *one-quarter* of the matching requirements of section 10A.323, ~~except that the dates in that section do not apply to a special election in which the filing period does not coincide with the filing period for the general election. To the extent feasible,~~ The special election subsidy must be distributed in the same manner as money in the party and general accounts is distributed to legislative candidates in a general election.

(e) ~~(d)~~ The amount necessary to make the payments required by this ~~subdivision~~ section is appropriated from the general fund to the ~~state treasurer board.~~

Sec. 35. Minnesota Statutes 1992, section 10A.322, subdivision 1, is amended to read:

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 the candidate will comply with sections 10A.25 and 10A.324.

(b) Before the first day of filing for office, the board shall forward agreement forms to all filing officers. The board shall also provide agreement forms to candidates on request at any time. 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 at any time before September 1 preceding the general election. An agreement may not be ~~signed or rescinded~~ filed after that date. *An agreement once filed may not be rescinded.*

(c) The board shall forward a copy of any agreement signed under this subdivision to the commissioner of revenue.

(d) Notwithstanding any provisions of this section, when a vacancy occurs that will be filled by means of a special election and the filing period does not coincide with the filing period for the general election, a candidate may sign and submit a spending limit agreement at any time before the deadline for submission of a signed agreement under section 10A.315.

Sec. 36. Minnesota Statutes 1992, section 10A.322, subdivision 2, is amended to read:

Subd. 2. [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 ~~day filings open for the next succeeding election to the office held or sought at the time of the agreement~~ *end of the first election cycle completed after the agreement was filed,* whichever occurs first.

Sec. 37. Minnesota Statutes 1992, section 10A.323, is amended to read:

10A.323 [MATCHING REQUIREMENTS.]

In addition to the requirements of section 10A.322, to be eligible to receive a public subsidy ~~from the state elections campaign fund~~ a candidate *or the candidate's treasurer* 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, 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 from persons eligible to vote in this state, that exceed ten percent of the candidate's expenditure limit in section 10A.25, subdivision 2. For legislative candidates, one-half of the matching contributions must have come from persons eligible to vote in the candidate's district. For the first general election after the legislature has been redistricted, "the candidate's district" includes both the new district and the old district where the candidate resided before the redistricting. Each matching contribution must be no more than \$500 for candidates for governor and no more than \$100 for other candidates. The candidate or the candidate's treasurer shall submit the affidavit affidavits required by this subdivision to the board in writing by October 1 of the general election year September 1 to receive the payment based on the results of the primary election, by November 1 to receive the payment based on the results of the general election, and by December 1 to receive the final payment for that election cycle.

Sec. 38. Minnesota Statutes 1992, section 10A.324, subdivision 3, is amended to read:

Subd. 3. [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. For purposes of this section, a transfer from one principal campaign committee to another principal campaign committee or to a political party is considered to be a noncampaign disbursement. The cost of postage that was not used during an election cycle and payments that created credit balances at vendors at the close of an election cycle are not considered expenditures for purposes of determining the amount to be returned. 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. 39. Minnesota Statutes 1992, section 10A.324, is amended by adding a subdivision to read:

Subd. 5. [RETURN OF OPPONENT'S PUBLIC SUBSIDY.] If a candidate received an opponent's public subsidy under section 10A.25, subdivision 10, the candidate shall return all or a portion of the opponent's public subsidy if required under subdivision 1. In addition, the candidate shall return all of the opponent's public subsidy to the board if the opponent is not required to file a campaign spending report under section 10A.20 or if the opponent's postelection report due on January 31 indicates that the opponent raised and spent \$1,000 or less during the campaign.

Sec. 40. [211A.12] [CONTRIBUTION LIMITS.]

A candidate may not accept aggregate contributions made or delivered by an individual or committee in excess of \$300 for a candidate for mayor in a city of the first class or \$200 for other candidates in an election year for the office sought and \$100 for all candidates in other years. Contributions that

*are bundled for delivery to a candidate are counted as contributions from the individual or committee that makes the delivery as well as from the individual or committee that was the source of the contribution, except that a delivery made by an individual on behalf of the individual's spouse is not counted as a contribution by the individual.*

Sec. 41. Minnesota Statutes 1992, section 211B.04, is amended to read:

**211B.04 [CAMPAIGN LITERATURE MUST INCLUDE DISCLAIMER.]**

(a) A person who participates in the preparation or dissemination of campaign material other than as provided in section 211B.05, subdivision 1, that does not prominently include the name and address of the person or committee causing the material to be prepared or disseminated in a disclaimer substantially in the form provided in paragraph (b) or (c) is guilty of a misdemeanor.

(b) Except in cases covered by paragraph (c), the required form of disclaimer is: "Prepared and paid for by the ..... committee, .....(address)" for material prepared and paid for by a principal campaign committee, or "Prepared and paid for by the ..... committee, .....(address), in support of .....(insert name of candidate or ballot question)" for material prepared and paid for by a person or committee other than a principal campaign committee.

(c) In the case of broadcast media, the required form of disclaimer is: "Paid for by the ..... committee."

(d) Campaign material that is not circulated on behalf of a particular candidate or ballot question must also include in the disclaimer either that it is "in opposition to .....(insert name of candidate or ballot question.....)"; or that "this publication is not circulated on behalf of any candidate or ballot question"; and that "this expenditure is outside any candidate's voluntary limits on campaign spending."

(e) This section does not apply to objects stating only the candidate's name and the office sought, fundraising tickets, or personal letters that are clearly being sent by the candidate.

(f) This section does not modify or repeal section 211B.06.

Sec. 42. Minnesota Statutes 1992, section 211B.12, is amended to read:

**211B.12 [LEGAL EXPENDITURES.]**

Use of funds money collected for political purposes is prohibited unless the use is reasonably related to the conduct of election campaigns, or is a noncampaign disbursement as defined in section 10A.01, subdivision 10c. The following are permitted expenditures when made for political purposes:

- (1) salaries, wages, and fees;
- (2) communications, mailing, transportation, and travel;
- (3) campaign advertising;
- (4) printing;

(5) office and other space and necessary equipment, furnishings, and incidental supplies;

(6) charitable contributions of not more than ~~\$100~~ \$50 to any charity annually; and

(7) other expenses, not included in clauses (1) to (6), that are reasonably related to the conduct of election campaigns. In addition, expenditures made for the purpose of providing information to constituents, whether or not related to the conduct of an election, are permitted expenses. *Money collected for political purposes and assets of a political committee or political fund may not be converted to personal use.*

Sec. 43. Minnesota Statutes 1992, section 211B.15, is amended to read:

**211B.15 [CORPORATE OR LIMITED LIABILITY POLITICAL CONTRIBUTIONS.]**

Subdivision 1. [DEFINITIONS.] ~~(a)~~ For purposes of this section, the following terms have the meanings given them:

~~(b)~~ "corporation" means:

(1) a corporation organized for profit that does business in ~~Minnesota~~ this state;

(2) a nonprofit corporation that carries out activities in this state;

~~(c)~~ "Limited liability company" means (3) a limited liability company formed under chapter 322B, or under similar laws of another state, that does business in ~~Minnesota~~ this state; and

(4) a partnership that does business in this state.

Subd. 2. [PROHIBITED CONTRIBUTIONS.] A corporation ~~or limited liability company~~ may not make a contribution or offer or agree to make a contribution, directly or indirectly, of any money, property, free service of its officers, ~~or employees, or members,~~ or thing of monetary value to a major political party, organization, committee, or individual to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "contribution" includes an expenditure to promote or defeat the election or nomination of a candidate to a political office that is made with the authorization or expressed or implied consent of, or in cooperation or in concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 3. [INDEPENDENT EXPENDITURES.] A corporation ~~or limited liability company~~ may not make an independent expenditure or offer or agree to make an independent expenditure to promote or defeat the candidacy of an individual for nomination, election, or appointment to a political office. For the purpose of this subdivision, "independent expenditure" means an expenditure that is not made with the authorization or expressed or implied consent of, or in cooperation or concert with, or at the request or suggestion of, a candidate or committee established to support or oppose a candidate.

Subd. 4. [BALLOT QUESTION.] A corporation ~~or limited liability company~~ may make contributions or expenditures to promote or defeat a ballot question, to qualify a question for placement on the ballot unless otherwise prohibited by law, or to express its views on issues of public concern. A corporation ~~or limited liability company~~ may not make a contribution to a candidate for nomination, election, or appointment to a

political office or to a committee organized wholly or partly to promote or defeat a candidate.

Subd. 5. [NEWS MEDIA.] This section does not prohibit publication or broadcasting of news items or editorial comments by the news media.

Subd. 6. [PENALTY FOR INDIVIDUALS.] An officer, manager, stockholder, member, *partner*, agent, employee, attorney, or other representative of a corporation or ~~limited liability company~~ acting in behalf of the corporation or ~~limited liability company~~ who violates this section may be fined not more than \$20,000 or be imprisoned for not more than five years, or both.

Subd. 7. [PENALTY FOR CORPORATIONS OR LIMITED LIABILITY COMPANIES.] A corporation or ~~limited liability company~~ convicted of violating this section is subject to a fine not greater than \$40,000. A convicted domestic corporation or ~~limited liability company~~ may be dissolved as well as fined. If a foreign or nonresident corporation or ~~limited liability company~~ is convicted, in addition to being fined, its right to do business in this state may be declared forfeited.

Subd. 8. [PERMITTED ACTIVITY; POLITICAL PARTY.] It is not a violation of this section for a political party, as defined in section 200.02, subdivision 7, to form a nonprofit corporation for the sole purpose of holding real property to be used exclusively as the party's headquarters.

Subd. 9. [MEDIA PROJECTS.] It is not a violation of this section for a corporation or ~~limited liability company~~ to contribute to or conduct public media projects to encourage individuals to attend precinct caucuses, register, or vote if the projects are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 10. [MEETING FACILITIES.] It is not a violation of this section for a corporation or ~~limited liability company~~ to provide meeting facilities to a committee, political party, or candidate on a nondiscriminatory and nonpreferential basis.

Subd. 11. [MESSAGES ON PREMISES.] It is not a violation of this section for a corporation or ~~limited liability company~~ selling products or services to the public to post on its public premises messages that promote participation in precinct caucuses, voter registration, or elections if the messages are not controlled by or operated for the advantage of a candidate, political party, or committee.

Subd. 12. [REPORTS REQUIRED.] The total amount of an expenditure or contribution for any one project permitted by subdivisions 9 and 11 that is more than \$200, together with the date, purpose, and the names and addresses of the persons receiving the contribution or expenditures, must be reported to the secretary of state. The reports must be filed on forms provided by the secretary of state on the dates required for committees under section 211A.02. Failure to file is a misdemeanor.

Subd. 13. [AIDING VIOLATION; PENALTY.] An individual who aids, abets, or advises a violation of this section is guilty of a gross misdemeanor.

Subd. 14. [PROSECUTIONS; VENUE.] Violations of this section may be prosecuted in the county where the payment or contribution was made, where services were rendered, or where money was paid or distributed.

*Subd. 15. [ADMINISTRATIVE COSTS.] It is not a violation of this section for a corporation to advance up to \$10,000 in direct and indirect administrative costs to establish a political committee or fund, but contributions to the committee or fund must first be used to reimburse the corporation for those start-up administrative costs before being used for any other purpose.*

*Subd. 16. [POLITICAL CORPORATIONS.] The prohibitions in this section do not apply to a nonprofit corporation that:*

*(1) was formed for the express purpose of promoting political ideas and cannot engage in business activities;*

*(2) has no shareholders or other persons affiliated so as to have a claim on its assets or earnings; and*

*(3) was not established by a business corporation or a labor union and has a policy not to accept contributions from those entities.*

Sec. 44. Minnesota Statutes 1992, section 290.06, subdivision 23, is amended to read:

**Subd. 23. [REFUND OF CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.]** (a) A taxpayer may claim a refund equal to the amount of the taxpayer's contributions made in the calendar year to candidates and to any political party. The maximum refund for an individual must not exceed \$50 and, for a married couple filing jointly, must not exceed \$100. A refund of a contribution is allowed only if the taxpayer files a form required by the commissioner and attaches to the form a copy of an official refund receipt form issued by the candidate or party and signed by the candidate, the treasurer of the candidate's principal campaign committee, or the party chair, *after the contribution was received. The receipt forms must be numbered, and the data on the receipt that are not public must be made available to the ethical practices board upon its request.* A claim must be filed with the commissioner not sooner than January 1 of the calendar year in which the contribution is made and no later than April 15 of the calendar year following the calendar year in which the contribution is made. A taxpayer may file only one claim per calendar year. Amounts paid by the commissioner after June 15 of the calendar year following the calendar year in which the contribution is made must include interest at the rate specified in section 270.76.

(b) No refund is allowed under this subdivision for a contribution to any candidate unless the candidate:

(1) has signed an agreement to limit campaign expenditures as provided in section 10A.322 or 10A.43;

(2) is seeking an office for which voluntary spending limits are specified in section 10A.25 or 10A.43; and

(3) has designated a principal campaign committee.

This subdivision does not limit the campaign expenditure of a candidate who does not sign an agreement but accepts a contribution for which the contributor improperly claims a refund.

(c) For purposes of this subdivision, "political party" means a major political party as defined in section 200.02, subdivision 7, or a minor political



party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a.

A "major or minor party" includes 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.

"Candidate" means a congressional candidate as defined in section 10A.41, subdivision 4, or a candidate as defined in section 10A.01, subdivision 5, except a candidate for judicial office.

"Contribution" means a gift of money.

(d) The commissioner shall make copies of the form available to the public and candidates upon request.

(e) The following data collected or maintained by the commissioner under this subdivision are private: the identities of individuals claiming a refund, the identities of candidates to whom those individuals have made contributions, and the amount of each contribution.

(f) *The commissioner shall report to the ethical practices board by August 1 of each year a summary showing the total number and aggregate amount of political contribution refunds made on behalf of each candidate and each political party. These data are public.*

(f) (g) The amount necessary to pay claims for the refund provided in this section is appropriated from the general fund to the commissioner of revenue.

#### Sec. 45. [APPROPRIATION.]

*\$. . . . . is appropriated from the general fund to the board to pay public subsidies for election campaigns as provided in this act, to be available until June 30, 1995. If this appropriation is vetoed, this act is void.*

#### Sec. 46. [TRANSITION.]

*All spending limit agreements filed with the ethical practices board before the effective date of this act are void, and all eligibility for continued public subsidies under Minnesota Statutes, chapter 10A or 290, is ended. The new expenditure limits and eligibility for a public subsidy under this act apply to candidates who sign and file with the ethical practices board a new spending limit agreement under this act after its effective date. Contributions to a candidate that were made before the effective date of this act and were lawful when made need not be refunded, even though they exceed the new limit on contributions to the candidate for the 1994 election cycle.*

#### Sec. 47. [REPEALER.]

*Minnesota Statutes 1992, section 10A.31, subdivisions 8 and 9, are repealed.*

#### Sec. 48. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to campaign reform; defining certain terms; counting certain constituent services as a campaign expenditure; banning

lobbyist contributions before a legislative session; banning caucus fundraisers before or during a legislative session; prohibiting earmarked contributions; prohibiting "friends of" committees; modifying campaign finance reporting requirements; requiring prompt notice of independent expenditures; reducing campaign contribution and spending limits, except when needed to counter independent expenditures or to assist first-time candidates; limiting use of contributions carried forward; limiting bundled contributions; prohibiting certain transfers to and from a candidate's principal campaign committee; prohibiting candidates who receive a public subsidy from accepting contributions from lobbyists, political committees, or political funds, other than political parties; eliminating public subsidies to certain unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; requiring certain candidates to return their public subsidy; requiring certain disclaimers; prohibiting conversion of campaign funds to personal use; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 10b, 10c, and by adding subdivisions; 10A.065, subdivisions 1 and 5; 10A.12, subdivision 5; 10A.15, by adding subdivisions; 10A.16; 10A.17, subdivision 5; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.24, subdivision 1; 10A.25, subdivisions 2, 6, 10, and by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.28, subdivision 2; 10A.31, subdivisions 5, 6, 7, 10, and by adding a subdivision; 10A.315; 10A.322, subdivisions 1 and 2; 10A.323; 10A.324, subdivision 3, and by adding a subdivision; 211B.04; 211B.12; 211B.15; and 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; and 211A; repealing Minnesota Statutes 1992, section 10A.31, subdivisions 8 and 9."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 29: A bill for an act relating to education; establishing a youth apprenticeship program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

Report the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [126B.01] [PURPOSE.]

*To better prepare all learners to make transitions between education and employment, a comprehensive system is established to:*

*(1) assist individuals in planning their futures by providing counseling and information about career opportunities;*

*(2) integrate opportunities for work-based learning, including occupation-specific apprenticeship programs, into the curriculum;*

(3) promote the efficient use of public and private resources by coordinating elementary, secondary, and post-secondary education with related government programs; and

(4) expand educational options available to students through collaborative efforts between secondary institutions, post-secondary institutions, business, industry, labor, and other interested parties.

**Sec. 2. [126B.02] [EDUCATION TO EMPLOYMENT TRANSITIONS COUNCIL.]**

(a) The education to employment transitions council is established. Members of the council shall include the governor or the governor's designee, the commissioner of education, the commissioner of labor and industry, the commissioner of human services, the commissioner of jobs and training, the chancellor of the community college system, the chancellor of the technical college system, a representative of the higher education coordinating board, the executive director of the state council of vocational technical education, a representative of business, a representative of organized labor, and a representative of Minnesota Technology, Inc.

(b) The council shall:

(1) identify changes that must be made in post-secondary guidance and counselor preparation programs to facilitate workforce development;

(2) identify means of implementing career awareness and counseling at the elementary level, secondary level, and post-secondary level;

(3) ensure that graduation standards are met;

(4) identify means of using labor market forecasting to assist individuals engaged in career counseling;

(5) delineate the role of elementary schools, secondary schools, post-secondary institutions, employers, state agencies, and organized labor in the activities under this act;

(6) develop plans to meet the unique needs of sparsely populated areas in establishing a comprehensive youth apprenticeship program;

(7) develop plans to meet the unique needs of metropolitan areas in establishing a comprehensive youth apprenticeship program;

(8) advise the department of education concerning the implementation of a comprehensive youth apprenticeship program;

(9) approve industry and occupational skill standards recommended by the skills standards committees; and

(10) ensure that the comprehensive youth apprenticeship program established is consistent with state and federal education, labor, and job training policies.

**Sec. 3. [126B.03] [COMPREHENSIVE YOUTH APPRENTICESHIP PROGRAM.]**

(a) The department of education, under the auspices of the education to employment transitions council, shall establish a comprehensive youth apprenticeship program to better prepare all learners to make transitions between education and employment.

*(b) A comprehensive youth apprenticeship program:*

*(1) includes an organized sequence of career awareness, career information, and career counseling activities, beginning in the elementary grades and progressing through a student's high school years;*

*(2) is available to high school juniors and seniors who meet the criteria established by a particular apprenticeship program;*

*(3) provides a continuous curricular sequence that integrates academic and technical preparation with work-based learning, and a year-round employment experience;*

*(4) provides an industry-approved work-based learning and year-round employment experience;*

*(5) provides ongoing feedback to the student on the student's performance in both the academic and work-based learning components of the program; and*

*(6) allows a student to participate in the program for two to four years.*

*(c) Students participating in a two-year program shall receive a high school diploma and an industry-approved occupational credential, and have the following options: entry-level employment, eligibility for advanced placement in a voluntary apprenticeship program, or admission to a post-secondary institution. Students participating in the four-year program shall receive an associate degree and an industry-approved occupational credential.*

**Sec. 4. [126B.04] [INDUSTRY AND OCCUPATIONAL SKILLS STANDARDS COMMITTEES.]**

*(a) The education to employment transitions council shall establish and convene committees to develop and recommend industry and occupational skill standards for the industries in which apprentices are placed.*

*(b) Committee membership shall consist of industry and trade representatives, employer representatives, and educators familiar with the skills, knowledge, and competencies of the industry. The council shall determine the membership of each committee they establish.*

*(c) Each committee shall:*

*(1) establish the terms of each apprenticeship experience including a probationary period;*

*(2) identify the current and future skill needs of occupations selected for inclusion in the apprenticeship program;*

*(3) make recommendations on compensation for students participating in the program;*

*(4) delineate the eligibility criteria that must be met by applicants to a youth apprenticeship program;*

*(5) identify how a student's abilities will be assessed upon admission to the program, during the program, and at the conclusion of the program;*

*(6) specify the courses a student must take and the duration and nature of the worksite experience;*

- (7) determine the components of the training program for industry trainers;
- (8) identify job sites for apprenticeships within each industry;
- (9) establish competencies that must be demonstrated by student apprentices upon completion of the program;
- (10) delineate means of integrating academic and technical preparation into youth apprenticeship programs; and
- (11) develop an agreement to be signed by each participant that delineates, at a minimum:
  - (i) the goals a student must meet as a condition of successfully completing the program;
  - (ii) the manner in which a student's performance will be evaluated;
  - (iii) a timetable of program activities;
  - (iv) services and experiences to be provided by the employer; and
  - (v) the terms of the apprenticeship experience.

**Sec. 5. [126B.05] [PILOT COMPREHENSIVE YOUTH APPRENTICESHIP PROGRAMS.]**

*The department of education shall award up to five planning and implementation grants to establish comprehensive youth apprenticeship programs. By September 1, 1993, the commissioner of education, with the assistance of the education to employment transitions council, shall establish criteria for evaluating grant proposals. The criteria established shall include the components outlined in section 3. The commissioner of education shall develop and publicize the grant application process. The education to employment transitions council shall review and comment on the proposals submitted.*

*When the youth apprenticeship program is implemented student funding shall be determined according to section 123.3514.*

**Sec. 6. [126B.06] [GENERAL PROVISIONS.]**

*(a) All state and federal laws relating to workplace health and safety shall apply to youth apprenticeships.*

*(b) The employment of a youth apprentice must not displace or cause any reduction in the number of nonovertime hours worked, wages, or benefits of a currently employed worker.*

**Sec. 7. [126B.07] [ENTREPRENEUR SCHOLARSHIP PROGRAM.]**

*An entrepreneur scholarship program is established. The higher education coordinating board may provide grants to a student or a group of students to facilitate the integration of academic and entrepreneurial skills. Each Minnesota public post-secondary campus shall receive a grant for an entrepreneur scholarship.*

**Sec. 8. [126B.08] [ELIGIBILITY.]**

*To be eligible to receive a grant, a student must:*

- (1) be a resident of the state of Minnesota;

(2) be enrolled at least half time at a Minnesota public post-secondary campus; and

(3) submit a proposal to a knowledgeable review committee selected by the president of each Minnesota public post-secondary campus describing the entrepreneurial project to be undertaken.

Sec. 9. [126B.09] [PROPOSAL CONTENT.]

A proposal submitted by a student or group of students under section 8 must be evaluated using the following criteria:

(1) the prospect for job creation if the proposal were implemented on a broad scale basis;

(2) the degree of creativity demonstrated in development of the project;

(3) the potential success of the project;

(4) demonstration of the practical application of academic knowledge; and

(5) the originality of the project."

Delete the title and insert:

"A bill for an act relating to education; establishing a comprehensive youth apprenticeship system; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 126B."

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

H.F. No. 295: A bill for an act relating to utilities; authorizing utilities to make automatic annual rate adjustments for costs of conservation improvements; amending Minnesota Statutes 1992, section 216B.16, subdivision 6b.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 645: A bill for an act relating to labor; protecting interests of employees following railroad acquisitions; imposing a penalty; amending Minnesota Statutes 1992, sections 222.86, subdivision 3; 222.87, by adding a subdivision; and 222.88.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 13, delete " , 2, or 2a" and insert "or 2"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

H.F. No. 185: A bill for an act relating to utilities; prohibiting state permits for construction of certain hydropower facilities on the bluffs of the Mississippi river; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 675: A bill for an act relating to housing; changing the property tax classification of certain lease purchase property; providing that a housing and redevelopment authority may make down payment assistance loans; changing minimum amounts for certain contract letting procedures; changing requirements for general obligation revenue bonds; amending Minnesota Statutes 1992, sections 273.13, subdivision 25; 469.012, by adding a subdivision; 469.015, subdivisions 1 and 2; and 469.034, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, after line 11, insert:

"Sec. 2. Minnesota Statutes 1992, section 469.005, subdivision 1, is amended to read:

Subdivision 1. [COUNTY AND MULTICOUNTY AUTHORITIES.] The area of operation of a county authority shall include all of the county for which it is created, and in case of a multicounty authority, it shall include all of the political subdivisions for which the multicounty authority is created; provided, that a county authority or a multicounty authority shall not undertake any project within the boundaries of any city which has not empowered the authority to function therein as provided in section 469.004 unless a resolution has been adopted by the governing body of the city, and by any authority which has been established in the city, declaring that there is a need for the county or multicounty authority to exercise its powers in the city. A resolution is not required for the operation of a section 8 program or a public housing scattered site project."

Page 12, line 18, delete "2" and insert "3"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "469.005, 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. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 932: A bill for an act relating to economic development; requiring

a report from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, delete lines 30 to 36 and insert:

*“(17) prepare, as part of biennial budget process with an annual interim summary for the legislature, performance measures for each business loan or grant program within the jurisdiction of the commissioner. Measures would include source of funds for each program, numbers of jobs proposed or promised at the time of application and the number of jobs created, estimated number of jobs retained, the average salary and benefits for the jobs resulting from the program, estimated number of jobs displaced, if any, and the number of projects approved”*

Page 4, lines 1 to 7, delete the new language

Page 4, after line 7, insert:

“Sec. 2. [116J.581] [COMPETITIVENESS TASK FORCE.]

*Subdivision 1. [CREATION.] There is created a permanent task force on the state's economic future and competitiveness. The task force is composed of the governor (ex officio); the commissioners of the departments of jobs and training, trade and economic development, commerce, and labor and industry; the chancellor of the higher education board; the president of the largest statewide Minnesota organized labor organization as measured by the number of its members in affiliated labor organizations; the deans of the business schools at the University of Minnesota and St. Thomas University and the Hubert H. Humphrey Institute of Public Affairs; the science and technology advisor to the governor; six representatives from private sector businesses appointed by the governor, two from companies with more than 1,000 employees, two from companies with 101 to 1,000 employees, and two from companies with less than 100 employees; two members representing environmental interests; and designees of the majority leader of the senate and the minority leader of the house of representatives. The chair of the task force shall be elected by the members from the private sector members. Terms of private sector members shall be for a minimum of three years and a maximum of five years.*

*Subd. 2. [DUTIES.] The task force shall:*

*(1) monitor implementation of the state's economic blueprint, particularly as it pertains to the long-range competitiveness of Minnesota's companies, published by the department of trade and economic development in November 1992;*

*(2) issue long-range policy recommendations for the state to achieve its long-range economic goals;*

*(3) hold periodic forums and symposiums involving renowned experts in areas pertaining to economic development and job creation;*

*(4) meet on call of the chair to receive reports and to provide ongoing counsel and advice to the legislature and the commissioner of trade and economic development;*



(5) make recommendations as to modification or numeric changes in the economic blueprint to maintain its relevance and significance;

(6) ensure that goals, proposals, and recommendations should be quantified to the extent possible;

(7) utilize modern modeling tools to determine the long-range competitive impact of past, present, and proposed legislative action; and

(8) scrutinize all legislation that can impact the state's economic future or the competitiveness of Minnesota enterprise.

Subd. 3. [REPORTS.] *The task force shall make annual reports to the governor and legislature on or before February 1. The first report is due by February 1, 1994.*

Subd. 4. [CONTINUATION OF TASK FORCE.] *The task force shall not expire but shall continue until terminated by a law specifically terminating it."*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "creating a task force on the state's economic future and competitiveness;"

Page 1, line 5, after "1" insert "; proposing coding for new law in Minnesota Statutes, chapter 116J"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 355: A bill for an act relating to economic development; authorizing planning and final system design for connecting rural southwest Minnesota water systems to a federal water system; appropriating money.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 537: A bill for an act relating to economic development; providing for creation of enterprise zones; providing incentives for business to locate within an enterprise zone; proposing coding for new law in Minnesota Statutes, chapter 469.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, delete "Minneapolis or Saint Paul" and insert "a city of the first class as defined in section 410.01 and a city of the second class that is designated as an economically depressed area by the United States Department of Commerce"

Page 3, line 17, delete "ten" and insert "five"

Page 5, line 24, delete "and" and insert a comma and before the period, insert ", South Saint Paul, and Duluth"

Page 5, line 27, delete "measurable" and insert "contribution equal to at least ten percent of the state tax credits"

Page 5, line 28, delete "local contribution"

Page 5, line 31, delete everything before the first comma

Page 6, delete lines 1 to 4

Page 6, line 5, delete "3" and 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. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 970: A bill for an act relating to energy; cogeneration and small power production; providing for establishment of prices paid for utilities' avoided capacity and energy costs; providing that the public utilities commission establish a preference for renewable resource energy production; requiring rulemaking; providing for a rulemaking exemption; amending Minnesota Statutes 1992, sections 216B.164, subdivision 4; and 216B.2421, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 216B.

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 1992, section 216B.164, subdivision 4, is amended to read:

Subd. 4. [PURCHASES; WHEELING.] (a) Except as otherwise provided in paragraph (c), this subdivision shall apply to all qualifying facilities having 40 kilowatt capacity or more as well as qualifying facilities as defined in subdivision 3 which elect to be governed by its provisions.

(b) The utility to which the qualifying facility is interconnected shall purchase all energy and capacity made available by the qualifying facility. The qualifying facility shall be paid the utility's full avoided capacity and energy costs including the value of environmental costs avoided by the qualifying facility considered appropriate by the commission. To the extent possible, the commission shall quantify and value all environmental costs associated with each method of electricity generation as negotiated by the parties, as set by the commission, or as determined through competitive bidding approved by the commission. The full avoided capacity and energy costs to be paid a qualifying facility that generates electric power by means of a renewable energy source are the utility's least cost renewable energy facility or the bid of a competing supplier of a least cost renewable energy facility, whichever is lower.

(c) For all qualifying facilities having 30 kilowatt capacity or more, the utility shall, at the qualifying facility's or the utility's request, provide wheeling or exchange agreements wherever practicable to sell the qualifying facility's output to any other Minnesota utility having generation expansion

anticipated or planned for the ensuing ten years. The commission shall establish the methods and procedures to insure that except for reasonable wheeling charges and line losses, the qualifying facility receives the full avoided energy and capacity costs of the utility ultimately receiving the output.

(d) The commission shall set rates for electricity generated by renewable energy.

Sec. 2. Minnesota Statutes 1992, section 216B.2421, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definition in this section applies to this section and sections 216B.2422 and ~~section~~ 216B.243.

Sec. 3. [216B.2422] [RESOURCE PLANNING; RENEWABLE ENERGY.]

*Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.*

*(b) "Utility" means an entity with the capability of generating 100,000 kilowatts or more of electric power and serving, either directly or indirectly, the needs of 10,000 retail customers in Minnesota. Utility does not include federal power agencies.*

*(c) "Renewable energy" means electricity generated through use of any of the following resources:*

- (1) wind;*
- (2) solar;*
- (3) geothermal;*
- (4) hydro; or*
- (5) trees or other vegetation.*

*(d) "Resource plan" means a set of resource options that a utility could use to meet the service needs of its customers over a forecast period, including an explanation of the supply and demand circumstances under which, and the extent to which, each resource option would be used to meet those service needs. These resource options include using, refurbishing, and constructing utility plant and equipment, buying power generated by other entities, controlling customer loads, and implementing customer energy conservation.*

*(e) "Refurbish" means to rebuild or substantially modify an existing electricity generating resource of 30 megawatts or greater.*

*Subd. 2. [PLAN FILING AND APPROVAL.] A utility shall file a resource plan with the commission periodically in accordance with rules adopted by the commission. The commission may approve, reject, or modify the plan of a public utility, as defined in section 216B.02, subdivision 4, consistent with the public interest. In the resource plan proceedings of all other utilities, the commission's order shall be advisory and the order's findings and conclusions shall constitute prima facie evidence which may be rebutted by substantial evidence in all other proceedings. As a part of its resource plan filing, a utility shall include the least cost plan for meeting 50 and 75 percent of all new and*

*refurbished capacity needs through a combination of conservation and renewable energy resources.*

*Subd. 3. [ENVIRONMENTAL COSTS.] (a) The commission shall, to the extent practicable, quantify and establish a range of environmental costs associated with each method of electricity generation. A utility shall use the values established by the commission in conjunction with other external factors, including socioeconomic costs, when evaluating and selecting resource options in all proceedings before the commission, including resource plan and certificate of need proceedings.*

*(b) The commission shall establish interim environmental cost values associated with each method of electricity generation by March 1, 1994. These values expire on the date the commission establishes environmental cost values under paragraph (a).*

*Subd. 4. [RENEWABLE PREFERENCE.] The commission shall not approve a new or refurbished nonrenewable energy facility in an integrated resource plan or a certificate of need, pursuant to section 216B.243, nor shall the commission allow rate recovery pursuant to section 216B.16 for such a nonrenewable energy facility, unless the utility has demonstrated that a renewable energy facility is not in the public interest.*

*Subd. 5. [BIDDING.] A utility may select resources to meet its projected energy demand through a bidding process approved or established by the commission. A utility shall use the environmental cost estimates determined under subdivision 3 in evaluating bids submitted in a process established under this subdivision.*

*Subd. 6. [CONSOLIDATION OF RESOURCE PLANNING AND CERTIFICATE OF NEED.] A utility shall indicate in its resource plan whether it intends to site or construct a large energy facility. If the utility's resource plan includes a proposed large energy facility and construction of that facility is likely to begin before the utility files its next resource plan, the commission shall conduct the resource plan proceeding consistent with the requirements of section 216B.243 with respect to the proposed facility. If the commission approves the proposed facility in the resource plan, a separate certificate of need proceeding is not required."*

Delete the title and insert:

*"A bill for an act relating to energy; cogeneration and small power production; providing for establishment of prices paid for utilities' avoided capacity and energy costs; providing that the public utilities commission establish a preference for renewable resource energy production; amending Minnesota Statutes 1992, sections 216B.164, subdivision 4; and 216B.2421, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 216B."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 840: A bill for an act relating to mental health; authorizing interstate contracts between Wisconsin and Minnesota for the treatment of mentally ill persons who have been involuntarily committed; amending

Minnesota Statutes 1992, section 245.50, subdivision 3, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 17, reinstate the stricken "have been committed involuntarily"

Page 1, line 18, strike "will be receiving treatment for" and insert "*in Minnesota under chapter 253B for treatment of mental illness or*"

Page 2, line 2, after "ill" insert "*or chemically dependent*"

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. 237: A bill for an act relating to agriculture; directing the commissioner of agriculture to promote farming of cervidae and maintain a data base on research and information; declaring farmed cervidae to be livestock and raising farmed cervidae to be an agricultural pursuit; prohibiting owners from allowing farmed cervidae to run at large; prescribing conditions for slaughter and sale of farmed cervidae as meat, fencing requirements, disease inspection, importation, and transportation requirements; requiring identification; prescribing conditions for farming cervidae; defining cervidae farming as agricultural production for purposes of sales tax; defining fencing for purposes of sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; 35.821, subdivision 4; and 297A.01, subdivisions 13 and 15; proposing coding for new law in Minnesota Statutes, chapter 17.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 6 and 7, delete sections 8 and 9

Page 7, delete line 35

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 12, delete "defining cervidae"

Page 1, delete lines 13 and 14

Page 1, line 17, after the first semicolon, insert "and" and delete "and 297A.01,"

Page 1, line 18, delete "subdivisions 13 and 15;"

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. 278: A bill for an act relating to alcoholic beverages; increasing the sales tax rate on alcoholic beverages to ten percent; providing for the

dedication of a portion of the revenues from the sales tax on alcoholic beverages to the chemical dependency treatment account; eliminating requirements for a sliding fee schedule for persons eligible for chemical dependency fund services; amending Minnesota Statutes 1992, sections 254B.02, subdivision 1; 254B.04, subdivision 1; 297A.02, subdivision 3; and 297A.44, subdivision 1; repealing Minnesota Statutes 1992, section 254B.04, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Pages 3 to 5, delete sections 3 and 4

Page 5, line 21, delete "to 3" and insert "and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 6 and insert "relating to human services; eliminating"

Page 1, line 9, delete "sections 254B.02,"

Page 1, line 10, delete the first "subdivision 1;" and insert "section" and delete "297A.02,"

Page 1, line 11, delete "subdivision 3; and 297A.44, subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 1407: A bill for an act relating to public administration; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137.

Report the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### APPROPRIATIONS

#### Section 1. HIGHER EDUCATION APPROPRIATIONS

The sums in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or other named fund, to the agencies and for the purposes specified in this article. The listing of an amount under the figure "1994" or "1995" in this article indicates that the amount is appropriated to be available for the fiscal year ending June 30, 1994, or June 30, 1995,

respectively. "The first year" is fiscal year 1994. "The second year" is fiscal year 1995. "The biennium" is fiscal years 1994 and 1995.

## SUMMARY BY FUND

	1994	1995	TOTAL
General	\$1,008,550,000	\$1,014,034,000	\$2,022,584,000
Health Care Access	2,509,000	2,678,000	5,187,000
TOTAL	\$1,011,059,000	\$1,016,712,000	\$2,027,771,000

## SUMMARY BY AGENCY - ALL FUNDS

	1994	1995	TOTAL
Higher Education Coordinating Board	122,353,000	129,108,000	251,461,000
State Board of Technical Colleges	165,554,000	165,527,000	331,081,000
State Board for Community Colleges	96,032,000	99,358,000	195,390,000
State University Board	176,397,000	172,818,000	349,215,000
Board of Regents of the University of Minnesota	449,005,000	447,945,000	896,950,000
Mayo Medical Foundation	808,000	809,000	1,617,000
Higher Education Board	910,000	1,147,000	2,057,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994                      1995

## Sec. 2. HIGHER EDUCATION COORDINATING BOARD

Subdivision 1. Total Appropriation	\$ 122,353,000	\$ 129,108,000
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## Summary by Fund

General	122,121,000	128,787,000
Health Care Access	232,000	321,000

The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

## Subd. 2. Agency Administration

3,357,000	3,307,000
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## Summary by Fund

General	3,307,000	3,307,000
Health Care Access	50,000	-0-

The higher education coordinating board, in cooperation with the commissioner of finance and the commissioner of revenue,

shall determine if there is an economically feasible way to encourage families to save money for their children's education. Particular effort shall be directed at the education savings plan account as contained in S.F. No. 468 and S.F. No. 1346 to determine if the tax revenue losses predicted in the fiscal notes are accurate, and if the benefits to an individual and the state are of greater value than the state's lost revenues. The higher education coordinating board shall report its findings to the governor and the education and tax committees of the legislature before September 15, 1993. The report shall include specific options for financing the recommendations, any necessary tax form and instruction changes, and any other information necessary for the proposals to be enacted into law.

The higher education coordinating board is authorized to enter into a reciprocity agreement with the province of Ontario.

#### Subd. 3. State Grants

98,472,000      98,461,000

#### Summary by Fund

General	98,290,000	98,140,000
Health Care Access	182,000	321,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

The legislature intends that the higher education coordinating board make full grant awards in each year of the biennium.

The higher education coordinating board shall review the impact of the 1991 law change for the state grant program to determine the scholastic impact on students as a result of the changing of the definition of a full-time student from 12 credits to 15 credits. The results of the review shall be included in the 1995 biennial budget document.

This appropriation contains \$4,033 each year for living allowances for state grants.

This appropriation includes \$250,000 each year for grants to nursing programs



to train persons of color and to nursing students who are persons of color. Other than the grants to students, all grants shall be matched with at least the same amount from grantee sources or nonstate money.

This appropriation includes \$250,000 each year for grants to programs to train teachers of color and to students of color who will enter the teaching profession. Other than the grants to students, all grants shall be matched with at least the same amount from grantee sources or nonstate money.

This appropriation includes \$350,000 for the biennium for the purposes of S.F. No. 29. \$100,000 of that sum is for entrepreneur scholarships to be distributed by the higher education coordinating board, and \$250,000 is for pilot apprenticeship programs to be administered and disbursed by the department of education. The department of finance shall allocate the \$250,000 to the department of education.

Subd. 4. Interstate Tuition Reciprocity

5,050,000      5,050,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 5. State Work Study

7,819,000      7,819,000

Subd. 6. Minitex Library Program

2,063,000      2,063,000

Subd. 7. Minnesota Educational Network

For the Minnesota educational network:

5,592,000      12,408,000

(1) \$642,000 the first year and \$1,028,000 the second year is to establish the higher education instructional telecommunications network created in article 2, section 2.

(2) \$1,000,000 the first year and \$2,000,000 the second year is for grants for regional linkages in article 2, section 3.

(3) \$700,000 each year is for grants for regional coordination in article 2, section 4.

(4) \$3,000,000 the first year and \$8,430,000 the second year is for grants in article 2, section 5, for providing classes using new and existing courseware, for courseware development, and for higher education coordinating board administrative costs.

(5) \$250,000 each year is for faculty training grants in article 2, section 6.

The appropriations in this subdivision may be transferred among the clauses.

#### Subd. 8. Balances Forward

An unencumbered balance in the first year under a subdivision in this section does not cancel but is available for the second year.

#### Subd. 9. Transfers

The higher education coordinating board may transfer unencumbered balances from the appropriations in this section to the state grant appropriation and the interstate tuition reciprocity appropriation.

### Sec. 3. STATE BOARD OF TECHNICAL COLLEGES

#### Subdivision 1. Total Appropriation

165,554,000

165,527,000

The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

#### Subd. 2. Instructional Expenditures

The legislature estimates that instructional expenditures will be \$226,346,000 the first year and \$226,097,000 the second year.

\$2,588,000 each year is for quality initiatives.

The legislature intends that the appropriation for extension programs be used primarily to support occupational programs.

The legislature recognizes the importance of each faculty member's contributions in the classroom, and is aware of the profound effect a quality teacher has on a student's learning. The legislature encourages the state board of technical colleges to place greater emphasis on the teaching

mission at each campus of the technical college system.

#### Subd. 3. Noninstructional Expenditures

The legislature estimates that noninstructional expenditures will be \$1,727,000 the first year and \$1,686,000 the second year.

\$462,000 the first year and \$421,000 the second year are for debt service payments to school districts for technical college buildings financed with district bonds issued before January 1, 1979.

\$230,000 each year is for southwest Asia veterans tuition relief.

#### Subd. 4. State Council on Vocational Technical Education

\$99,000 each year must be allocated by the state board to the state council on vocational education.

### Sec. 4. STATE BOARD FOR COMMUNITY COLLEGES

Subdivision 1. Total Appropriation	96,032,000	99,358,000
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The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

#### Subd. 2. Instructional Expenditures

The legislature estimates that instructional expenditures will be \$129,515,000 the first year and \$134,399,000 the second year.

\$1,665,000 each year is for quality initiatives.

The legislature recognizes the importance of each faculty member's contributions in the classroom, and is aware of the profound effect a quality teacher has on a student's learning. The legislature encourages the community college board to place greater emphasis on the teaching mission at each campus of the community college system.

#### Subd. 3. Noninstructional Expenditures

The legislature estimates that noninstructional expenditures will be \$22,229,000

the first year and \$22,229,000 the second year.

Sec. 5. STATE UNIVERSITY BOARD

Subdivision 1. Total Appropriation	176,397,000	172,818,000
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The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

Subd. 2. Instructional Expenditures

The legislature estimates that instructional expenditures will be \$242,774,000 the first year and \$237,435,000 the second year.

\$2,982,000 each year is for quality initiatives.

Notwithstanding Minnesota Statutes, section 136.09, subdivision 3, during the biennium neither the state university board nor the state university campuses shall plan or develop doctoral level programs or degrees until after they have received the recommendation of the house of representatives and senate committees on education, finance, and ways and means.

The legislature recognizes the importance of each faculty member's contributions in the classroom, and is aware of the profound effect a quality teacher has on a student's learning. The legislature encourages the state university board to place greater emphasis on the teaching mission at each campus of the state university system.

The state university board shall review the internal allocation formula used to distribute the appropriations which the board receives from the legislature to each of its campuses. The board shall determine if any inequities exist in that formula, particularly those which negatively impact the Winona and Rochester campuses. The board may modify the formula, if necessary, to rectify the inequities. Any savings which can be accrued from eliminating program duplication, administrative inefficiencies, or other cost reduction shall be redirected to improving programs, acquiring better equipment, and improving the retention and graduation rates.

**Subd. 3. Noninstructional Expenditures**

The legislature estimates that noninstructional expenditures will be \$26,654,000 the first year and \$26,654,000 the second year.

**Sec. 6. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA**

Subdivision 1. Total Appropriation	449,005,000	447,945,000
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**Summary by Fund**

General	446,728,000	445,588,000
Health Care Access	2,277,000	2,357,000

The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

Subd. 2. Operations and Maintenance	366,128,000	365,068,000
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**(a) Instructional Expenditures**

The legislature estimates that instructional expenditures will be \$389,117,000 the first year and \$387,551,000 the second year.

\$7,584,000 each year is for quality initiatives.

The legislature recognizes the importance of each faculty member's contributions in the classroom, and is aware of the profound effect a quality teacher has on a student's learning. The legislature encourages the board of regents of the University of Minnesota to place greater emphasis on the teaching mission at each campus of the University of Minnesota.

**(b) Noninstructional Expenditures****Summary by Fund**

General	103,048,000	103,048,000
Health Care Access	2,277,000	2,357,000

The legislature estimates that noninstructional expenditures will be \$116,566,000 the first year and \$116,646,000 the second year.

Subd. 3. Special Appropriation	82,877,000	82,877,000
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The amounts expended for each program in the four categories of special appropriations shall be separately identified in the 1995 biennial budget document.

(a) Agriculture and Extension Service

44,497,000      44,497,000

This appropriation is for the Agriculture Research and Minnesota Extension Service.

Any salary increases granted by the university to personnel paid from the Minnesota Extension appropriation must not result in a reduction of the county portion of the salary payments.

During the biennium, the university shall maintain an advisory council system for each experiment station. The advisory councils must be broadly representative of range of size and income distribution of farms and agribusinesses and must not disproportionately represent those from the upper half of the size and income distributions.

(b) Health Sciences

16,658,000      16,658,000

This appropriation is for Indigent Patients (County Papers), Rural Physicians Associates Program, Medical Research, Special Hospitals Service and Educational Offset, the Veterinary Diagnostic Laboratory, Institute for Human Genetics, and the Biomedical Engineering Center.

(c) Institute of Technology

2,891,000      2,891,000

This appropriation is for the Geological Survey, Underground Space Center, Talented Youth Mathematics Program, Microelectronics and Information Science Center, and the Productivity Center.

(d) System Specials

18,831,000      18,831,000

This appropriation is for Fellowships for Minority and Disadvantaged Students, General Research, Intercollegiate Athletics, Student Loans Matching Money, Industrial Relations Education, Natural Resources Research Institute, Sea Grant College Program, Biological Process

Technology Institute, Supercomputer Institute, Center for Urban and Regional Affairs, Museum of Natural History, and the Humphrey Exhibit.

This appropriation includes money to improve the programs and resources available to women and to ensure that campuses are in compliance with Title IX of the Education Amendments of 1972 and Minnesota Statutes, section 126.21. The women's athletic program shall be funded by the formula allowance or a minimum of \$65,000 per campus per year. Each campus will receive the greater of the two calculations.

Of this appropriation, no less than the following amounts must be allocated to each campus:

Duluth	\$551,600	\$551,600
Morris	\$ 66,100	\$ 66,100
Crookston	\$ 65,000	\$ 65,000

#### Sec. 7. MAYO MEDICAL FOUNDATION

Subdivision 1. Total Appropriation

808,000 809,000

The amounts that may be spent from this appropriation for each purpose are specified in the following subdivisions.

Subd. 2. Medical School

504,000 474,000

The state of Minnesota shall pay a capitation of \$9,875 per year for each student who is a resident of Minnesota.

This appropriation provides capitation for 15 Minnesota residents in each of the four classes at Mayo Medical School. The appropriation may be transferred between years of the biennium to accommodate enrollment fluctuations.

The legislature intends that during the biennium the Mayo foundation use the capitation money to increase the number of doctors practicing in rural areas in need of doctors as identified by the higher education coordinating board.

**Subd. 3. Family Practice and Graduate Residency Program**

304,000      335,000

The state of Minnesota shall pay a capitation of \$15,222 each year for a maximum of 20 students in the first year and 22 in the second year.

**Sec. 8. HIGHER EDUCATION BOARD**

910,000      1,147,000

The appropriation in fiscal year 1993 for the operation of the higher education board shall not cancel, but shall be available for fiscal year 1994.

Any unexpended balance remaining in the first year shall not cancel, but is available for the second year.

Notwithstanding Minnesota Statutes, section 136E.01, by August 31, 1993, the governor shall appoint one student from the state university system, one student from the community college system, and one student from the technical college system to the higher education board. The terms of the appointments shall expire June 30, 1995.

**Sec. 9. POST-SECONDARY SYSTEMS**

**Subdivision 1. Anticipated Tuition Rates**

The legislature provided full funding for each post-secondary system, using the formula contained in Minnesota Statutes, section 135A.03. Based on the amount of the state appropriation and that formula, the legislature does not anticipate a need for tuition rates to increase from the current rate for any of the systems in the 1994 and 1995 school years.

**Subd. 2. Quality Initiatives**

**(a) System Initiatives**

The legislature recognizes each post-secondary systems' initiatives to improve quality, namely, access to excellence, Q-7, student success, and campaign 2001, and urges their continuation and refinement.

**(b) Legislative Initiatives**

The legislature requests each post-sec-



ondary governing board to utilize the money provided for quality initiatives to:

- (1) procure better equipment;
- (2) reduce class sizes;
- (3) improve retention rates; and
- (4) shorten the time to graduation.

(c) Report

By January 15, 1995, each system must provide a succinct report in the 1995 biennial budget document on the results of the quality initiatives.

**Subd. 3. Degree, Diploma, or Certificate Requirements**

The legislature recognizes the changing demographics of the students in the public post-secondary systems. The public post-secondary governing boards are requested to review the requirements for receipt of a degree, diploma, or certificate. During that review, the boards are requested to eliminate those requirements which are not essential to a student's mastery of a given subject area, and thereby reduce the number of credits and time required to receive the degree, diploma, or certificate. Each system shall report to the higher education coordinating board by November 15, 1993, on the results of the action. The higher education coordinating board shall report in summary form to the education committees by January 15, 1994.

**Subd. 4. 1995-1997 Budget Requests**

In preparing budget requests for the 1995-1997 biennium, the commissioner of finance shall make the same categories of base level adjustments, when reasonable and equitable, to the budgets of higher education systems as to the budgets of state agencies. The amounts and the purposes must be delineated in the 1995 biennial budget document.

Sec. 10. Minnesota Statutes 1992, section 136A.101, subdivision 1, is amended to read:

Subdivision 1. For purposes of sections 136A.095 to ~~136A.134~~ 136A.132, the terms defined in this section have the meanings ascribed to them.

Sec. 11. [136A.136] [AKITA GRANTS.]

*The higher education coordinating board may provide grants to Minnesota resident students participating in the Akita program. Grants must be awarded on the same basis as other state grants, except that the cost of attendance must be adjusted to incorporate the state university tuition level and the Akita fee level. An individual grant must not exceed the state grant maximum award for a student at a four-year private college.*

Sec. 12. [136A.147] [INCOME CONTINGENT LOANS.]

*The higher education coordinating board shall administer an income contingent loan repayment program to assist graduates of Minnesota schools in medicine, dentistry, pharmacy, chiropractic medicine, public health, and veterinary medicine, and Minnesota residents graduating from optometry and osteopathy programs. Applicant data collected by the higher education coordinating board for this program may be disclosed to a consumer credit reporting agency under the same conditions as apply to the supplemental loan program under section 136A.162.*

Sec. 13. Minnesota Statutes 1992, section 136C.61, subdivision 7, is amended to read:

Subd. 7. [MEETINGS.] Notwithstanding any law to the contrary, the joint board may hold meetings at any location convenient to the member districts and the public, whether or not that meeting site is located within the boundaries of a member district. The joint board may also conduct meetings via interactive television or teleconferencing if the board complies with section 471.705 in each location where board members are present. The joint 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.

Sec. 14. [137.41] [INDIRECT COST RECOVERIES.]

*Indirect cost recovery money received by the University of Minnesota must be used exclusively for the direct support of research or the financing of support activities directly contributing to the receipt of indirect cost recovery money. It may be used for debt retirement for research-related buildings. It may not be used for teaching or service.*

Sec. 15. [REPEALER.]

*Minnesota Statutes 1992, section 136A.134, is repealed.*

## ARTICLE 2

### MINNESOTA EDUCATIONAL NETWORK

Section 1. [PURPOSE.]

*The purpose of sections 1 to 6 is to expand the availability of a broad range of courses and degrees to students throughout the state to improve access, quality, and efficiency by enhancing and expanding the use of telecommunications and other instructional technologies in higher education.*

Sec. 2. [STATEWIDE TELECOMMUNICATIONS NETWORK.]

Subdivision 1. [ESTABLISHMENT.] *A higher education instructional telecommunications network is established to provide a statewide interconnection of regional interactive instructional video networks. The higher*

*education instructional telecommunications network shall use the statewide telecommunications access and routing system where operationally, technically, and economically feasible in order to maximize the state's telecommunication resources.*

*Subd. 2. [HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall administer the higher education instructional telecommunications network. The board shall convene the higher education instructional telecommunications council.*

*Subd. 3. [NETWORK COUNCIL.] The higher education instructional telecommunications network council shall be composed of: two representatives selected by each public higher education system, one private college representative selected by the Minnesota private college council, the commissioner of education or designee to represent K-12 education, and one higher education coordinating board representative. The council shall:*

- (1) develop a vision and plans for the use of distance learning technologies and provide leadership in implementing the use of such technologies;*
- (2) develop educational policy for matters affecting the network;*
- (3) determine priorities for network use;*
- (4) oversee coordination of network activity with campuses, K-12 education, and regional educational telecommunications networks; and*
- (5) determine priorities for grant funding proposals.*

### **Sec. 3. [REGIONAL LINKAGES.]**

*Subdivision 1. [GRANTS.] The higher education coordinating board shall award grants to regional organizations of higher education institutions to establish or complete telecommunications links between campuses in the region.*

*The regional organizations shall use the statewide telecommunications access and routing system where operationally, technically, and economically feasible in order to maximize the state's telecommunication resources.*

*Subd. 2. [APPLICATION PROCESS.] The higher education coordinating board shall develop and publicize the process by which regional organizations may apply for grants. The higher education instructional telecommunications network council shall review and comment on the proposals.*

*Subd. 3. [CRITERIA.] The higher education coordinating board shall evaluate proposals using the following criteria:*

- (1) evidence of cooperative arrangements with other post-secondary institutions and school districts in the geographic region;*
- (2) plans for shared classes and programs;*
- (3) evidence of efficiencies to be achieved in delivery of instruction due to use of telecommunications;*
- (4) evidence of a formal governing structure; and*
- (5) a plan to assume the ongoing costs following the initial development for the continued operation of the project.*

#### Sec. 4. [REGIONAL COORDINATION.]

*Subdivision 1. [GRANTS.] The higher education coordinating board shall award grants to regional organizations of higher education institutions to coordinate and manage regional telecommunications arrangements.*

*Subd. 2. [APPLICATION PROCESS.] The higher education coordinating board shall develop and publicize the process by which regional organizations may apply for grants. The higher education instructional telecommunications network council shall review and comment on the proposals.*

*Subd. 3. [CRITERIA.] The higher education coordinating board shall evaluate proposals using the following criteria:*

- (1) evidence of cooperative arrangements with other post-secondary institutions and school districts in the geographic region;*
- (2) plans for shared classes and programs;*
- (3) avoidance of program and course duplication;*
- (4) evidence of efficiencies to be achieved in delivery of instruction due to use of telecommunications;*
- (5) a plan for development of a list of all courses available in the region for delivery at a distance;*
- (6) a plan for coordinating and scheduling courses;*
- (7) a plan for evaluation of costs, access, and outcomes; and*
- (8) a plan to assume the ongoing costs following the initial development for the continued operation of the project.*

#### Sec. 5. [COURSEWARE DEVELOPMENT AND USAGE.]

*Subdivision 1. [GRANTS.] The higher education coordinating board shall award grants to higher education systems, higher education institutions, or regional educational telecommunications networks for the development and use of courses to be delivered via telecommunications and other instructional technologies. Existing courseware, whether developed or purchased, that may be delivered via telecommunications, is eligible for grants. Grants shall be awarded in the following categories:*

- (1) development of credit courses for use primarily via telecommunications links within regions;*
- (2) development of credit courses for transmission between regions of the state; and*
- (3) development of courses that are based in part or entirely on the creative use of instructional technologies.*

*Subd. 2. [APPLICATION PROCESS.] The higher education coordinating board shall develop and publicize the process to apply for grants. The higher education instructional telecommunications network council shall review and comment on the proposals.*

*Subd. 3. [CRITERIA.] The higher education coordinating board shall evaluate proposals using the following criteria:*

(1) courses offered must be for credit and applicable to a degree or certificate;

(2) courses must include general distribution, upper division courses, or graduate courses;

(3) proposals must show evidence of improved efficiencies resulting from delivery of courses via instructional technologies;

(4) proposals must indicate how the ongoing costs of the project will be assumed by the program provider following initial development; and

(5) proposals must show how existing coursework will be used, in conjunction with coursework that will be developed, to enable more students to benefit from their services.

#### Sec. 6. [FACULTY DEVELOPMENT.]

*Subdivision 1. [GRANTS.] The higher education coordinating board shall award grants to higher education systems, higher education institutions, or regional educational telecommunications networks for the development of programs to assist faculty in learning the application of instructional telecommunications and other technologies. The higher education instructional telecommunications network council shall review and comment on the proposals.*

*Subd. 2. [APPLICATION PROCESS.] The higher education coordinating board shall develop and publicize the process to apply for grants and shall establish criteria for evaluating proposals. Proposals must include the development of programs to assist faculty in learning the application of instructional technologies or must provide incentives for involvement of faculty.*

#### Sec. 7. [EVALUATION.]

*The higher education coordinating board shall evaluate the results of the grants provided under sections 3 to 5 and make recommendations to the legislature and governor regarding future funding, the success rate of the various grants, and other relevant information by January 15, 1995.*

#### Sec. 8. [GRANT LIMITATIONS; PROPOSALS.]

*All grants shall be used for direct costs only and shall not include indirect costs. The higher education coordinating board shall advise grant applicants that funds used for regional linkages in section 3, regional coordination in section 4, and courseware usage in section 5, are for pilot projects. State funding for the pilot projects shall be for 90 percent of costs.*

### ARTICLE 3

#### STUDENT HOUSING

##### Section 1. [VERMILION COMMUNITY COLLEGE STUDENT HOUSING.]

*The state board for community colleges may acquire a site and construct, own, operate, furnish, and maintain one or more dormitories or other student residence facilities at Ely for the use and benefit of Vermilion Community College. Selection of a designer for the project is not subject to Minnesota Statutes, section 16B.33, subdivision 4. The higher education facilities*

authority may issue revenue bonds or other financial instruments for the facilities under Minnesota Statutes, sections 136A.25 to 136A.42, and the state board for community colleges may borrow the proceeds of the revenue bonds or other financial instruments to finance the acquisition, construction, and equipping of the student housing facilities. The board may enter into agreements and pledge revenues of the facilities as may be necessary to provide security for the bonds and may mortgage the financed facilities to the higher education facilities authority or to a trustee for the bondholders if considered necessary by the board or the authority for the successful marketing of the bonds. The state board for community colleges shall establish, maintain, revise when necessary, and collect rates and charges for the use of the student housing facilities. The rates and charges must be sufficient, as estimated by the board, to pay all expenses of operation and maintenance of the facilities, to pay principal of, and interest on, revenue bonds or other obligations or instruments when due, and to pay customary fees and charges of the higher education facilities authority and to establish and maintain the reserve funds that the board considers necessary for repair, replacement, and maintenance of the facilities. Funds and accounts established in furtherance of these purposes are not subject to Minnesota Statutes, section 136.67, subdivision 2, and are not subject to the budgetary control of the commissioner of finance. The board shall never be obligated to use other revenues of the board or funds of the state to pay the costs of construction, operation, maintenance, and repair of the facilities or to pay principal of and interest on obligations issued for these purposes. Notwithstanding any other law or rule or the city charter, the city of Ely may, without complying with the procedures set forth in Minnesota Statutes, chapter 475, guarantee all or any part of the loan repayment obligation of the board to the authority, by pledging its full faith and credit and taxing power. The guarantee is not subject to any limitation on net debt of the city, and taxes required to make any payment under the guarantee may be levied without limit as to rate or amount.

#### ARTICLE 4

##### ENDOWMENT FOR SCHOLARSHIP, RESEARCH, AND CHAIRS

Section 1. Minnesota Statutes 1992, section 137.022, subdivision 3, is amended to read:

Subd. 3. [ENDOWED CHAIRS CHAIR ACCOUNT.] (a) For purposes of this section, the permanent university fund has three accounts. The sources of the money in the endowed mineral research and scholarship accounts are set out in paragraph (b) and subdivision 4. All money in the fund that is not otherwise allocated is in the endowed chair account. The income from the permanent university fund endowed chair account must be used, and capital gains of the fund allocated to that account may be used, to provide endowment support for professorial chairs in academic disciplines. The endowment support for the chairs from the income and the capital gains must not total more than six percent per year of the 36-month trailing average market value of the endowed chair account of the fund, as computed quarterly or otherwise as directed by the regents. The endowment support from the income and the capital gains must not provide more than half the sum of the endowment support for all chairs endowed, with nonstate sources providing the remainder. The endowment support from the income and the capital gains may provide more than half the endowment support of an individual chair.

(b) If any portion of the annual appropriation of the income is not used for the ~~purpose~~ purposes specified in paragraph (a) or subdivision 4, that portion lapses and must be added to the principal of the three accounts of the permanent university fund in proportion to the market value of each account.

Sec. 2. Minnesota Statutes 1992, section 137.022, is amended by adding a subdivision to read:

*Subd. 4. [MINERAL RESEARCH; SCHOLARSHIPS.] (a) All income accruing after December 31, 1991, to the part of the permanent university fund derived from mineral permits and royalties on mining must be allocated as provided in this subdivision.*

*(b)(1) Fifty percent of the accrual, to a total of \$25,000,000 in accruals must be credited to the mineral research account of the fund to be allocated for the Natural Resources Research Institute-Duluth and Coleraine facilities, for mineral and mineral-related research including mineral-related environmental research; and*

*(2) Fifty percent of the accrual until the \$25,000,000 accrual amount is reached under clause (1) and thereafter 100 percent of the accrual must be credited to the endowed scholarship account of the fund for distribution annually for scholastic achievement as provided by the board of regents to undergraduates enrolled at the University of Minnesota who are resident students as defined in section 136A.101, subdivision 8.*

*(c) The annual distribution from the endowed scholarship account must be allocated to the various campuses of the University of Minnesota in proportion to the number of undergraduate resident students enrolled on each campus.*

*(d) The board of regents must report to the education committees of the legislature biennially at the time of the submission of its budget request on the dispersal of money from the endowed scholarship account.*

*(e) Capital gains or losses of the permanent university fund must be credited to its three accounts in proportion to the market value of each account.*

*(f) The endowment support from the income and capital gains of the endowed mineral research and endowed scholarship accounts of the fund must not total more than six percent per year of the 36-month trailing average market value of the account from which the support is derived.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective retroactive to January 1, 1992, for accruals and allocations into the three accounts of the permanent university fund and July 1, 1993, for distributions from the endowed mineral research account and endowed scholarship accounts of the fund.*

## ARTICLE 5

### SOUTHWEST ASIA VETERANS TRAINING

Section 1. Minnesota Statutes 1992, section 136C.13, subdivision 4, is amended to read:

*Subd. 4. [VIETNAM SOUTHWEST ASIA VETERAN'S EXEMPTION.] A Vietnam Southwest Asia veteran who enrolls in a tuition free technical college*

program before July 1, 1990, and who is a Minnesota resident whose entire education has not included completion of at least one ~~tuition free~~ technical college program is ~~exempt from tuition~~ eligible for a state grant of \$500 per year if the veteran has GI Montgomery bill benefits, or \$1,000 per year if the veteran does not have GI Montgomery bill benefits, until the veteran has completed the lesser of (a) 440 technical college school days, or the equivalent as determined by the state board 115 credits in a technical college program, or (b) one technical college program. The grant is based on full-time attendance and shall be prorated if the student is attending less than full time. To be eligible for the tuition relief, a veteran who is discharged before July 1, 1993, must enroll in a technical college by July 1, 1995, and a veteran who is discharged on or after July 1, 1993, must enroll in a technical college within two years of the date of discharge. All veterans enrolled under this program must maintain a minimum of six credits per quarter.

“Vietnam Southwest Asia veteran” for the purpose of this subdivision means a person who served in the active military service in any branch of the armed forces of the United States after July 1, 1961, and before July 1, 1978, any time between August 1, 1990, and February 27, 1992, who became eligible for the Vietnam Expeditionary Medal or the Vietnam Southwest Asia Service Medal as a result of the service, was a Minnesota resident at the time of induction into the armed forces and for the ~~six months one year~~ immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable.

## ARTICLE 6

### HIGHER EDUCATION COORDINATING BOARD

#### SELF LOAN PROGRAM CHANGES

Section 1. Minnesota Statutes 1992, section 136A.101, subdivision 7, is amended to read:

Subd. 7. ~~Until June 30, 1993, “student” means a person who is enrolled at least half time in a program or course of study that applies to a degree, diploma, or certificate, except that for purposes of section 136A.132, student may include a person enrolled for at least three credits per quarter or semester, or the equivalent, but less than half time.~~

Beginning July 1, 1993, “Student” means a person who is enrolled for at least three credits per quarter or semester, or the equivalent, in a program or course of study that applies to a degree, diploma, or certificate.

Sec. 2. Minnesota Statutes 1992, section 136A.121, subdivision 9, is amended to read:

Subd. 9. [INITIAL AWARDS.] An undergraduate student ~~who has not previously received a grant and~~ who meets the board’s requirements is eligible to apply for and receive ~~an initial~~ a grant in any year of undergraduate study ~~unless the student has obtained a baccalaureate degree or previously has been enrolled full time or the equivalent for eight semesters or 12 quarters.~~

Sec. 3. Minnesota Statutes 1992, section 136A.1353, subdivision 4, is amended to read:



Subd. 4. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the schools, colleges, or programs of nursing applying to participate in the nursing grant program based on the last academic year's enrollment of students in educational programs that would lead to licensure as a registered nurse. Money 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 schools, colleges, or programs of nursing. ~~Initial applications are due by January 1 of each year. By June 30 of each year, the board shall notify each applicant school, college, or program of nursing of its approximate allocation of funds in order to allow the school, college, or program to determine the number of students that can be supported by the allocation. The board shall distribute funds to the schools, colleges, or programs of nursing by August 1 of each year. Interested schools, colleges, or programs of nursing education must complete and return the annual participation request form provided by the board. Each participating school, college, or program of nursing education shall be informed of its allocation amount by the board before allocation disbursement.~~

Sec. 4. Minnesota Statutes 1992, section 136A.1354, subdivision 4, is amended to read:

Subd. 4. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the schools or colleges of nursing, or programs of advanced nursing education, applying to participate in the nursing grant program based on the last academic year's enrollment of registered nurses in schools or colleges of nursing, or programs of advanced nursing education. Money 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 schools or colleges of nursing, or programs of advanced nursing education. ~~Initial applications are due by January 1 of each year. By June 30 of each year, the board shall notify each applicant school or college of nursing, or program of advanced nursing education, of its approximate allocation of money to allow the school, college, or program to determine the number of students that can be supported by the allocation. The board shall distribute money to the schools or colleges of nursing, or programs of advanced nursing education, by August 1 of each year. Interested schools, colleges, or programs of advanced nursing education must complete and return the annual participation request form provided by the board. Each participating school, college, or program of advanced nursing education shall be informed of its allocation amount by the board before allocation disbursement.~~

Sec. 5. Minnesota Statutes 1992, section 136A.15, subdivision 6, is amended to read:

Subd. 6. "Eligible institution" means any public a post-secondary educational institution and any private educational institution, in any state which is approved by the United States commissioner of education in accordance with requirements set forth in the Higher Education Act of 1965, as amended, that either (1) is operated or regulated by this state, or (2) is operated publicly or privately in another state, is approved by the United States Secretary of Education, and, as determined by the board, maintains academic standards

*substantially equal to those of comparable institutions operated in this state.* It also includes any institution chartered in a province.

Sec. 6. Minnesota Statutes 1992, section 136A.1701, subdivision 4, is amended to read:

Subd. 4. [TERMS AND CONDITIONS OF LOANS.] The board may loan money upon such terms and conditions as the board may prescribe. The principal amount of a loan to an undergraduate student for a single academic year ~~may shall~~ not exceed ~~\$4,000~~ ~~\$6,000~~. The aggregate principal amount of all loans made under this section to an undergraduate student ~~may shall~~ not exceed ~~\$16,000~~ ~~\$25,000~~. The principal amount of a loan to a graduate student for a single academic year shall not exceed ~~\$6,000~~ ~~\$9,000~~. The aggregate principal amount of all loans made under this section to a student as a graduate student shall not exceed ~~\$25,000~~ ~~\$40,000~~.

Sec. 7. Minnesota Statutes 1992, section 136A.233, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For purposes of sections 136A.231 to 136A.234, the words defined in this subdivision have the meanings ascribed to them.

(a) "Eligible student" means a Minnesota resident enrolled or intending to enroll ~~full time~~ *at least half time* in a Minnesota post-secondary institution.

(b) "Minnesota resident" means a student who meets the conditions in section 136A.101, subdivision 8.

(c) "Financial need" means the need for financial assistance in order to attend a post-secondary institution as determined by a post-secondary institution according to guidelines established by the higher education coordinating board.

(d) "Eligible employer" means any eligible post-secondary institution and any nonprofit, nonsectarian agency or state institution located in the state of Minnesota, including state hospitals, and also includes a handicapped person or a person over 65 who employs a student to provide personal services in or about the residence of the handicapped person or the person over 65.

(e) "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state grant program as specified in section 136A.101, subdivision 4.

(f) "Independent student" has the meaning given it in the Higher Education Act of 1965, United States Code, title 20, section 1070a-6, and applicable regulations.

Sec. 8. Minnesota Statutes 1992, section 136A.233, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS.] Work-study payments shall be made to eligible students by post-secondary institutions as provided in this subdivision.

(a) Students shall be selected for participation in the program by the post-secondary institution on the basis of student financial need.

(b) No eligible student shall be employed under the state work-study program while not a full-time student; provided, with the approval of the institution, a full-time student who becomes a part-time student during an

academic year may continue to be employed under the state work-study program for the remainder of the academic year.

(c) Students will be paid for hours actually worked and the maximum hourly rate of pay shall not exceed the maximum hourly rate of pay permitted under the federal college work-study program.

(d) Minimum pay rates will be determined by an applicable federal or state law.

(e) ~~An eligible employer shall pay at least 30 percent of the student's compensation.~~ *The board shall annually establish a minimum percentage rate of student compensation to be paid by an eligible employer.*

(f) Each post-secondary institution receiving money for state work-study grants shall make a reasonable effort to place work-study students in employment with eligible employers outside the institution.

(g) The percent of the institution's work-study allocation provided to graduate students shall not exceed the percent of graduate student enrollment at the participating institution.

Sec. 9. [REPEALER.]

*Minnesota Statutes 1992, section 136A.121, subdivision 17, is repealed.*

## ARTICLE 7

### GRANTS TO TRAIN NURSES OF COLOR

Section 1. [136A.1358] [GRANTS TO NURSING PROGRAMS FOR PERSONS OF COLOR.]

*Subdivision 1. [DEFINITIONS.] For purposes of sections 136A.1358 and 136A.1359:*

(a) "Person of color" means a person who is Asian Pacific-American, African-American, American Indian, or Hispanic-American (Latino, Chicano, or Puerto Rican).

(b) "Cultural competency program" means a program that provides knowledge of the history, practices, and health needs of persons of color through, among other means, dialogue with persons of color.

*Subd. 2. [ESTABLISHMENT.] A grant program is established under the authority of the higher education coordinating board to provide grants to Minnesota schools, colleges, and other institutions which offer programs of nursing, to fund initiatives designed to ensure the recruitment and retention of nursing students who are persons of color.*

*Subd. 3. [ELIGIBILITY.] To be eligible to receive a grant, an applicant must:*

(1) be a Minnesota school, college, or program of nursing which offers educational programs that lead to licensure as a registered nurse;

(2) have in place a required cultural competency program for current faculty; and

(3) have in place a program advisory panel, a majority of which are persons of color.

*Subd. 4. [RESPONSIBILITY OF NURSING PROGRAMS.] Each school, college, or program of nursing that wishes to participate in the grant program shall apply to the higher education coordinating board for grant money, according to rules and policies established by the board. Each applicant shall outline the specific programs it intends to implement and demonstrate the likelihood that those programs will result in increased recruitment and retention of students who are persons of color.*

*Subd. 5. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the schools, colleges, or programs of nursing eligible to participate in the grant program. Money 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 schools, colleges, or programs of nursing. Initial applications are due by August 15 of each year. By October 1 of each year, the board shall notify each applicant of its approximate allocation of funds. Grants must be for a minimum of \$100,000 per year. The board shall distribute funds by November 1 of each year. Grants shall be awarded on an annual basis and are not automatically renewable.*

*The board shall establish written criteria to use in awarding the grants. The criteria must include consideration of whether:*

- (1) the proposed program is likely to actually increase the recruitment and retention of nursing students who are persons of color;*
- (2) the proposed program creates a support network for persons of color;*
- (3) the nursing program employs persons of color on its staff and faculty;*
- (4) the proposed program has initiatives to reach persons of color while still in high school; and*
- (5) the proposed program establishes a mentoring program for nursing students who are persons of color.*

*The board shall establish written guidelines to ensure that grant funds are used only for board-approved initiatives. The board shall provide the written guidelines to grant recipients at the time it distributes the funds. The board shall require each grant recipient to report to the board each year on its program activity and use of grant funds.*

*Subd. 6. [REPORT.] Grant recipients must report to the higher education coordinating board on their program activity and use of grant funds as requested by the board.*

**Sec. 2. [136A.1359] [GRANTS FOR NURSING STUDENTS WHO ARE PERSONS OF COLOR.]**

*Subdivision 1. [ESTABLISHMENT.] A nursing grant program is established under the authority of the higher education coordinating board to provide grants to students who are persons of color who are entering or enrolled in an educational program that leads to licensure as a registered nurse.*

*Subd. 2. [ELIGIBILITY.] To be eligible to receive a grant, a student shall be:*

*(1) a citizen of the United States;*

*(2) a resident of the state of Minnesota;*

*(3) a person of color enrolled in a nursing program in a Minnesota school, college, or program of nursing to complete an educational program that leads to licensure as a registered nurse; and*

*(4) eligible under any additional criteria established by the school, college, or program of nursing in which the student is enrolled. Students applying for a grant must be willing to practice in Minnesota for at least three years following licensure.*

*The grant 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. 3. [RESPONSIBILITY OF NURSING PROGRAMS.] Each school, college, or program of nursing that wishes to participate in the student nursing grant program shall apply to the higher education coordinating board for grant money, according to rules and policies established by the board. A school, college, or program of nursing shall establish criteria to use in awarding the grants. The criteria must include consideration of the likelihood of a student's success in completing the nursing-educational program and must give priority to students with the greatest financial need. Grants must be for a minimum of \$500, but must not exceed \$2,500 per year. Each school, college, or program of nursing shall agree that the money awarded through this grant program must not be used to replace any other grant or scholarship money for which, absent this grant, the student is eligible. Each school, college, or program of nursing shall establish procedures for students to apply for and receive grants.*

*Subd. 4. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the schools, colleges, or programs of nursing eligible to participate in the student nursing grant program based on actual current enrollment or the previous academic year's enrollment, of persons of color in nursing programs that lead to licensure as a registered nurse. Money 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 schools, colleges, or programs of nursing. Interested schools, colleges, or programs of nursing must complete and return the annual participation request form provided by the board. Each participating school, college, or program of nursing shall be informed of its allocation amount by the board prior to allocating disbursement. The board shall distribute funds to the schools, colleges, or programs of nursing by August 30 of each year.*

*Subd. 5. [REPORT.] The schools, colleges, or programs of nursing participating in the nursing grant program shall report to the higher education coordinating board on their program activity as requested by the board.*

## ARTICLE 8

### EDUCATION TO EMPLOYMENT TRANSITIONS SYSTEM

#### Section 1. [126B.01] [PURPOSE.]

To better prepare all learners to make transitions between education and employment, a comprehensive system is established to:

(1) assist individuals in planning their futures by providing counseling and information about career opportunities;

(2) integrate opportunities for work-based learning, including occupation-specific apprenticeship programs, into the curriculum;

(3) promote the efficient use of public and private resources by coordinating elementary, secondary, and post-secondary education with related government programs; and

(4) expand educational options available to students through collaborative efforts between secondary institutions, post-secondary institutions, business, industry, labor, and other interested parties.

Sec. 2. [126B.02] [EDUCATION TO EMPLOYMENT TRANSITIONS COUNCIL.]

(a) The education to employment transitions council is established. Members of the council shall include the governor or the governor's designee, the commissioner of education, the commissioner of labor and industry, the commissioner of human services, the commissioner of jobs and training, the chancellor of the community college system, the chancellor of the technical college system, a representative of the higher education coordinating board, the executive director of the state council of vocational technical education, a representative of business, a representative of organized labor, and a representative of Minnesota Technology, Inc.

(b) The council shall:

(1) identify changes that must be made in post-secondary guidance and counselor preparation programs to facilitate workforce development;

(2) identify means of implementing career awareness and counseling at the elementary level, secondary level, and post-secondary level;

(3) ensure that graduation standards are met;

(4) identify means of using labor market forecasting to assist individuals engaged in career counseling;

(5) delineate the role of elementary schools, secondary schools, post-secondary institutions, employers, state agencies, and organized labor in the activities under this article;

(6) develop plans to meet the unique needs of sparsely populated areas in establishing a comprehensive youth apprenticeship program;

(7) develop plans to meet the unique needs of metropolitan areas in establishing a comprehensive youth apprenticeship program;

(8) advise the department of education concerning the implementation of a comprehensive youth apprenticeship program;

(9) approve industry and occupational skill standards recommended by the skills standards committees; and

(10) ensure that the comprehensive youth apprenticeship program estab-

lished is consistent with state and federal education, labor, and job training policies.

Sec. 3. [126B.03] [COMPREHENSIVE YOUTH APPRENTICESHIP PROGRAM.]

(a) The department of education, under the auspices of the education to employment transitions council, shall establish a comprehensive youth apprenticeship program to better prepare all learners to make transitions between education and employment.

(b) A comprehensive youth apprenticeship program:

(1) includes an organized sequence of career awareness, career information, and career counseling activities, beginning in the elementary grades and progressing through a student's high school years;

(2) is available to high school juniors and seniors who meet the criteria established by a particular apprenticeship program;

(3) provides a continuous curricular sequence that integrates academic and technical preparation with work-based learning, and a year-round employment experience;

(4) provides an industry-approved work-based learning and year-round employment experience;

(5) provides ongoing feedback to the student on the student's performance in both the academic and work-based learning components of the program; and

(6) allows a student to participate in the program for two to four years.

(c) Students participating in a two-year program shall receive a high school diploma and an industry-approved occupational credential, and have the following options: entry-level employment, eligibility for advanced placement in a voluntary apprenticeship program, or admission to a post-secondary institution. Students participating in the four-year program shall receive an associate degree and an industry-approved occupational credential.

Sec. 4. [126B.04] [INDUSTRY AND OCCUPATIONAL SKILLS STANDARDS COMMITTEES.]

(a) The education to employment transitions council shall establish and convene committees to develop and recommend industry and occupational skill standards for the industries in which apprentices are placed.

(b) Committee membership shall consist of industry and trade representatives, employer representatives, and educators familiar with the skills, knowledge, and competencies of the industry. The council shall determine the membership of each committee they establish.

(c) Each committee shall:

(1) establish the terms of each apprenticeship experience including a probationary period;

(2) identify the current and future skill needs of occupations selected for inclusion in the apprenticeship program;

(3) make recommendations on compensation for students participating in the program;

(4) delineate the eligibility criteria that must be met by applicants to a youth apprenticeship program;

(5) identify how a student's abilities will be assessed upon admission to the program, during the program, and at the conclusion of the program;

(6) specify the courses a student must take and the duration and nature of the worksite experience;

(7) determine the components of the training program for industry trainers;

(8) identify job sites for apprenticeships within each industry;

(9) establish competencies that must be demonstrated by student apprentices upon completion of the program;

(10) delineate means of integrating academic and technical preparation into youth apprenticeship programs; and

(11) develop an agreement to be signed by each participant that delineates, at a minimum:

(i) the goals a student must meet as a condition of successfully completing the program;

(ii) the manner in which a student's performance will be evaluated;

(iii) a timetable of program activities;

(iv) services and experiences to be provided by the employer; and

(v) the terms of the apprenticeship experience.

Sec. 5. [126B.05] [PILOT COMPREHENSIVE YOUTH APPRENTICESHIP PROGRAMS.]

The department of education shall award up to five planning and implementation grants to establish comprehensive youth apprenticeship programs. By September 1, 1993, the commissioner of education, with the assistance of the education to employment transitions council, shall establish criteria for evaluating grant proposals. The criteria established shall include the components outlined in section 3. The commissioner of education shall develop and publicize the grant application process. The education to employment transitions council shall review and comment on the proposals submitted. When the student apprenticeship program is implemented student funding shall be determined according to section 123.3514.

Sec. 6. [126B.06] [GENERAL PROVISIONS.]

(a) All state and federal laws relating to workplace health and safety shall apply to youth apprenticeships.

(b) The employment of a youth apprentice must not displace or cause any reduction in the number of nonovertime hours worked, wages, or benefits of a currently employed worker.

Sec. 7. [126B.07] [ENTREPRENEUR SCHOLARSHIP PROGRAM.]



*An entrepreneur scholarship program is established. The higher education coordinating board may provide grants to a student or a group of students to facilitate the integration of academic and entrepreneurial skills. Each Minnesota public post-secondary campus shall receive a grant for an entrepreneur scholarship.*

**Sec. 8. [126B.08] [ELIGIBILITY.]**

*To be eligible to receive a grant, a student must:*

- (1) be a resident of the state of Minnesota;*
- (2) be enrolled at least half time at a Minnesota public post-secondary campus; and*
- (3) submit a proposal to a knowledgeable review committee selected by the president of each Minnesota public post-secondary campus describing the entrepreneurial project to be undertaken.*

**Sec. 9. [126B.09] [PROPOSAL CONTENT.]**

*A proposal submitted by a student or group of students under section 8 must be evaluated using the following criteria:*

- (1) the prospect for job creation if the proposal were implemented on a broad scale basis;*
- (2) the degree of creativity demonstrated in development of the project;*
- (3) the potential success of the project;*
- (4) demonstration of the practical application of academic knowledge; and*
- (5) the originality of the project.*

**ARTICLE 9**

**MINORITY TEACHER GRANTS**

**Section 1. [136A.1360] [GRANTS TO RECRUIT PERSONS OF COLOR INTO THE TEACHING PROFESSION.]**

*Subdivision 1. [DEFINITIONS.] For purposes of sections 136A.1360 and 136A.1361:*

*(a) "Person of color" means a person who is Asian Pacific-American, African-American, American Indian, or Hispanic-American (Latino, Chicano, or Puerto Rican).*

*(b) "Cultural competency program" means a program that provides knowledge of the history, practices, and educational needs of persons of color through, among other means, dialogue with persons of color.*

*(c) "Approved teacher education program" means a teacher education program approved by the board of teaching.*

*Subd. 2. [ESTABLISHMENT.] A grant program is established under the authority of the higher education coordinating board to provide grants to up to three approved teacher education programs to recruit and retain students who are persons of color into the teaching profession. One grant must be awarded to an approved teacher education program that prepares students to become early childhood educators or parent educators.*

*Subd. 3. [ELIGIBILITY.] To be eligible to receive a grant, an applicant must:*

- (1) be a Minnesota post-secondary institution which offers an approved teacher education program;*
- (2) establish or have in place a cultural competency program for faculty;*
- (3) establish or have in place a program advisory panel, a majority of the advisory panel shall be persons of color; and*
- (4) consult with a school district that has a minority population greater than 30 percent regarding recruitment and retention strategies.*

*Subd. 4. [RESPONSIBILITY OF TEACHER EDUCATION PROGRAMS.] Each approved teacher education program that wishes to participate in the grant program shall apply to the higher education coordinating board for grant money, according to rules and policies established by the board. Each applicant shall outline the specific programs it intends to implement and demonstrate the likelihood that those programs will result in increased recruitment and retention of students who are persons of color.*

*Subd. 5. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds to grant recipients. Money not used by a recipient teacher education program must be returned to the higher education coordinating board for redistribution under this section.*

*The board shall establish an application process for interested teacher education programs. Initial applications are due by August 15 of each year. By October 1 of each year, the board shall notify each applicant of its approximate allocation of funds. The board shall distribute funds by November 1 of each year. Grants shall be awarded on an annual basis and are not automatically renewable.*

*The board shall establish written criteria to use in awarding the grants. The criteria must include consideration of whether:*

- (1) the proposed program is likely to actually increase the recruitment and retention of students who are persons of color;*
- (2) the proposed program creates a support network for persons of color;*
- (3) the applicant employs persons of color on its staff and faculty;*
- (4) the proposed program has initiatives to reach persons of color while still in high school; and*
- (5) the proposed program establishes a mentoring program for teacher education students who are persons of color.*

*The board shall establish written guidelines to ensure that grant funds are used only for board-approved initiatives. The board shall provide the written guidelines to grant recipients at the time it distributes the funds. The board shall require each grant recipient to report to the board each year on its program activity and use of grant funds.*

*Subd. 6. [REPORT.] Grant recipients must report to the higher education coordinating board on their program activity and use of grant funds as requested by the board.*

**Sec. 2. [136A.1361] [GRANTS TO TRAIN TEACHERS OF COLOR.]**

*Subdivision 1. [ESTABLISHMENT.] A grant program is established under the authority of the higher education coordinating board to provide grants to assist students who are persons of color to become teachers.*

*Subd. 2. [ELIGIBILITY.] To be eligible to receive a grant, a student shall be:*

- (1) a citizen of the United States;*
- (2) a resident of the state of Minnesota;*
- (3) a person of color entering or enrolled in an approved teacher education program in a Minnesota post-secondary institution; and*
- (4) eligible under any additional criteria established by the approved teacher education program which the student is entering or enrolled in.*

*Students applying for a grant must be willing to teach in Minnesota for at least three years following licensure.*

*The grant 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. 3. [RESPONSIBILITY OF TEACHER EDUCATION PROGRAMS.] Each approved teacher education program that wishes to participate in the grant program shall apply to the higher education coordinating board for grant money, according to rules and policies established by the board. An approved teacher education program shall establish criteria to use in awarding the grants. The criteria must include consideration of the likelihood of a student's success in completing the teacher education program, receiving licensure as a teacher, and must give priority to students with the greatest financial need. Grants must be for a minimum of \$500, but must not exceed \$2,500 per year. Each approved teacher education program shall agree that the money awarded through this grant program must not be used to replace any other grant or scholarship money for which, absent this grant, the student is eligible. Each approved teacher education program shall establish procedures for students to apply for and receive grants.*

*Subd. 4. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall distribute funds each year to the approved teacher education programs applying to participate in the grant program based on actual current enrollment or the previous academic year's enrollment of persons of color in approved teacher education programs. Money not used by the approved teacher education program must be returned to the higher education coordinating board for redistribution under this section. The board shall establish an application process for interested teacher education programs.*

*Interested teacher education programs must complete and return the annual participation request form provided by the board. Each participating teacher education program shall be informed of its allocation amount by the board prior to allocating disbursement. The board shall distribute funds to the teacher education programs by August 30 of each year.*

*Subd. 5. [REPORT.] The Minnesota teacher education programs participating in the teacher education grant program shall report to the higher*

*education coordinating board on their program activity as requested by the board."*

Delete the title and insert:

"A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; creating a higher education instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; authorizing the state board of community colleges to use higher education facilities authority revenue bonds to construct student residences; creating three accounts in the permanent university fund and making allocations from the accounts; providing tuition exemptions at technical colleges for Southwest Asia veterans; prescribing changes in eligibility and in duties and responsibilities for certain financial assistance programs; establishing grant programs to promote recruitment and retention initiatives by nurses training and teacher education programs directed toward persons of color; establishing grant programs for nursing students and students in teacher education programs who are persons of color; establishing an education to employment transitions system; amending Minnesota Statutes 1992, sections 136A.101, subdivisions 1 and 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; 136A.233, subdivisions 2 and 3; 136C.13, subdivision 4; 136C.61, subdivision 7; and 137.022, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; proposing coding for new law as Minnesota Statutes, chapter 126B; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134."

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. 1062, 86, 587, 853, 625, 818, 349, 509, 1431, 645, 970, 840 and 237 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 295 and 185 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Vickerman moved that the name of Mr. Metzen be added as a co-author to S.F. No. 333. The motion prevailed.

Mr. Larson moved that the name of Mr. Metzen be added as a co-author to S.F. No. 555. The motion prevailed.

Mr. Johnson, D.J. moved that the name of Ms. Wiener be added as a co-author to S.F. No. 1578. The motion prevailed.

Mr. Hottinger moved that the names of Messrs. Betzold and Metzen be added as a co-author to S.F. No. 1584. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Metzen be added as a co-author to S.F. No. 1585. The motion prevailed.

Ms. Ranum moved that S.F. No. 977 be withdrawn from the Committee on Education and re-referred to the Committee on Crime Prevention. The motion prevailed.

Ms. Ranum moved that S.F. No. 1095 be withdrawn from the Committee on Education and re-referred to the Committee on Crime Prevention. The motion prevailed.

#### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:45 a.m., Wednesday, April 14, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**THIRTY-FOURTH DAY**

St. Paul, Minnesota, Tuesday, April 13, 1993

The House of Representatives met on Tuesday, April 13, 1993, which was the Thirty-Fourth Legislative Day of the Seventy-Eighth Session of the Minnesota State Legislature. The Senate did not meet on this date.

## THIRTY-FIFTH DAY

St. Paul, Minnesota, Wednesday, April 14, 1993

The Senate met at 11:45 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 Senator Pat Piper.

The roll was called, and the following Senators answered to their names:

Adkins	Day	Krentz	Murphy	Robertson
Anderson	Dille	Laidig	Neuville	Runbeck
Beckman	Finn	Larson	Novak	Sams
Belanger	Flynn	Lesewski	Oliver	Samuelson
Benson, D.D.	Frederickson	Lessard	Olson	Solon
Benson, J.E.	Hottinger	Luther	Pappas	Spear
Berg	Johnson, D.E.	Marty	Pariseau	Stevens
Berglin	Johnson, D.J.	McGowan	Piper	Stumpf
Bertram	Johnson, J.B.	Merriam	Pogemiller	Terwilliger
Betzold	Johnston	Metzen	Price	Vickerman
Chandler	Kelly	Moe, R.D.	Ranum	Wiener
Chmielewski	Kiscaden	Mondale	Reichgott	
Cohen	Knutson	Morse	Riveness	

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 12, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
	203	21	10:27 a.m. April 12	April 12

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. 186, 789 and 903.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 12, 1993

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 198 and 605.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 13, 1993

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 281, 1408, 1474, 259, 785, 807, 893, 554, 643, 951, 964, 1182 and 1228.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 12, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 281: A bill for an act relating to agriculture; board of animal health; regulating the imposition and collection of civil penalties; amending Minnesota Statutes 1992, section 35.95, subdivisions 1 and 5.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1408: A bill for an act relating to agriculture; redefining terms in the plant pest act; exempting certain nonprofit organizations from the requirement for a nursery stock dealer certificate; amending Minnesota Statutes 1992, section 18.46, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18.



Referred to the Committee on Rules and Administration for comparison with S.F. No. 813, now on General Orders.

H.F. No. 1474: A bill for an act relating to county records; providing for the use of certain fees; amending Minnesota Statutes 1992, section 357.18, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1124, now on General Orders.

H.F. No. 259: A bill for an act relating to local government; providing for the publication of certain accounts and delinquent property tax information; amending Minnesota Statutes 1992, sections 281.13; 281.23, subdivision 3; and 375.17.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 785: A bill for an act relating to retirement; survivor benefits payable by the Minneapolis police relief association; amending Minnesota Statutes 1992, section 353B.11, subdivisions 4 and 5; and Laws 1992, chapters 454, section 3; and 471, article 1, section 10, subdivision 1; repealing Laws 1992, chapter 454, section 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 662.

H.F. No. 807: A bill for an act relating to retirement; the Minneapolis fire department relief association; setting service pension rates; amending Minnesota Statutes 1992, section 352B.07, subdivision 3; repealing Laws 1971, chapter 542.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 685.

H.F. No. 893: A bill for an act relating to local government; specifying the prosecuting attorney for certain offenses; amending Minnesota Statutes 1992, section 487.25, subdivision 10.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 709, now on General Orders.

H.F. No. 554: A bill for an act relating to occupations and professions; authorizing actions against lapsed licenses; requiring roofers to be licensed by the state; providing for temporary licenses and fees; amending Minnesota Statutes 1992, sections 45.027, by adding a subdivision; and 326.83, subdivisions 4, 10, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1444, now on General Orders.

H.F. No. 643: A bill for an act relating to commerce; making technical changes in the department's enforcement powers; regulating cosmetology; prescribing powers and duties; setting fees; amending Minnesota Statutes 1992, sections 45.011, subdivision 1, and by adding a subdivision; 45.027, subdivisions 1, 2, 5, 6, and 8; 155A.03, subdivision 1; 155A.05; 155A.06; 155A.07, subdivisions 2, 4, 7, and 8; 155A.08, subdivisions 2 and 5; 155A.09, subdivisions 2, 5, 6, and 9; 155A.10; 155A.14; 155A.15; and 155A.16; proposing coding for new law in Minnesota Statutes, chapter 155A;

repealing Minnesota Statutes 1992, sections 155A.11; 155A.12; 155A.13; and 155A.18; Minnesota Rules, parts 2642.0310, subparts 3, 4, and 5; 2642.0330, subparts 3 and 4; 2642.0800; 2642.0810; 2644.0310, subparts 2, 3, and 4; 2644.0800; and 2644.0810.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 809, now on General Orders.

H.F. No. 951: A bill for an act relating to the city of Duluth; authorizing the transfer of money from the gas division account in the public utility fund to the general fund; amending Laws 1951, chapter 507, section 1, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 495, now on General Orders.

H.F. No. 964: A bill for an act relating to public safety; authorizing commissioner of public safety to apply for federal natural disaster assistance funds; amending Minnesota Statutes 1992, section 12.221.

Referred to the Committee on Finance.

H.F. No. 1182: A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1228: A bill for an act relating to retirement; public employees retirement association and Minneapolis employees retirement fund; providing for the retention of pension coverage for certain transferred employees.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 664.

## 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. 615. The motion prevailed.

Ms. Piper from the Committee on Family Services, to which was referred

H.F. No. 584: A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.49; 237.50, subdivision 3; 237.51, subdivision 2; and 237.52, subdivision 2; repealing Laws 1987, chapter 308, section 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 1992, section 237.50, subdivision 3, is amended to read:

Subd. 3. [COMMUNICATION IMPAIRED.] “Communication impaired” means certified as deaf, severely hearing impaired, ~~hard of hearing~~ *hard-of-hearing*, speech impaired, ~~or deaf and blind~~, *or mobility impaired if the mobility impairment significantly impedes the ability to use standard customer premises equipment.*

Sec. 2. Minnesota Statutes 1992, section 237.50, subdivision 4, is amended to read:

Subd. 4. [COMMUNICATION DEVICE.] "Communication device" means a device that when connected to a telephone enables a communication-impaired person to communicate with another person utilizing the telephone system. A "communication device" includes a ring signaler, an amplification device, a telephone device for the deaf with any auxiliary equipment, a braille device for use with a telephone, and any other device the board deems necessary, and a telebraille unit.

Sec. 3. Minnesota Statutes 1992, section 237.50, is amended by adding a subdivision to read:

Subd. 4a. [DEAF.] "Deaf" means a hearing impairment of such severity that the individual must depend primarily upon visual communication such as writing, lip reading, manual communication, and gestures.

Sec. 4. Minnesota Statutes 1992, section 237.50, is amended by adding a subdivision to read:

Subd. 6a. [HARD-OF-HEARING.] "Hard-of-hearing" means a hearing impairment resulting in a functional loss, but not to the extent that the individual must depend primarily upon visual communication.

Sec. 5. Minnesota Statutes 1992, section 237.50, subdivision 11, is amended to read:

Subd. 11. [MESSAGE TELECOMMUNICATION RELAY SERVICE.] "Message Telecommunication relay service" means a central statewide service through which a communication-impaired person, using a communication device, may send and receive messages to and from a non-communication-impaired person whose telephone is not equipped with a communication device and through which a non-communication-impaired person may, by using voice communication, send and receive messages to and from a communication-impaired person.

Sec. 6. Minnesota Statutes 1992, section 237.51, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] The telecommunication access for communication-impaired persons board is established to establish and administer a program to distribute communication devices to eligible communication-impaired persons and to create and maintain a message telecommunication relay service.

Sec. 7. Minnesota Statutes 1992, section 237.51, subdivision 2, is amended to read:

Subd. 2. [MEMBERS.] The board consists of 12 persons to include:

(1) the commissioner of the department of human services or the commissioner's designee;

(2) the commissioner of the department of administration or the commissioner's designee;

(3) five (2) seven communication-impaired persons appointed by the governor at least three of whom reside outside a metropolitan county, as defined in section 473.121, subdivision 4, at the time of appointment, at least

*four of whom are deaf, one of whom is speech impaired, one of whom is mobility impaired, and one of whom is hard-of-hearing;*

(4) (3) one person appointed by the governor who is a professional in the area of communications disabilities;

(5) (4) one person appointed by the governor to represent the telephone company providing local exchange service to the largest number of persons;

(6) (5) one member of the Minnesota Telephone Association appointed by the governor to represent other affected telephone companies; *and*

(7) (6) one person appointed by the governor to represent ~~companies providing inter-LATA interexchange telephone service; and rate payers.~~

(8) ~~one person to represent the organization operating the message relay service to be appointed by the governor at the time the board contracts with the organization pursuant to section 237.54.~~

Sec. 8. Minnesota Statutes 1992, section 237.51, subdivision 4, is amended to read:

Subd. 4. [MEETINGS.] The board shall meet at least ~~monthly until December 31, 1988, and at least quarterly thereafter annually.~~

Sec. 9. Minnesota Statutes 1992, 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 telecommunication~~ 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) reestablish and fill the position of program administrator whose position is in the unclassified service *and establish and fill other positions in the classified service required to conduct the business of the board;*

(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 board

determines that otherwise they will be economically harmed by implementation of sections 237.50 to 237.56.

Sec. 10. Minnesota Statutes 1992, section 237.51, subdivision 6, is amended to read:

Subd. 6. [ADMINISTRATIVE SUPPORT.] The commissioner of the department of administration shall provide staff assistance not including the program administrator *and other board staff* who *is are* to be chosen by the board, administrative services, and office space under a contract with the board. The board shall reimburse the commissioner for services, staff, and space provided. The board may request necessary information from the supervising officer of any state agency.

Sec. 11. Minnesota Statutes 1992, section 237.52, subdivision 2, is amended to read:

Subd. 2. [ASSESSMENT.] The board shall annually recommend to the commission an adequate and appropriate mechanism to implement sections 237.50 to 237.56. *The public utilities commission shall review the board's budget for reasonableness and may modify the budget to the extent it is unreasonable.* The commission shall annually determine the funding mechanism to be used within 60 days of receipt of the recommendation of the program administrator and shall order the imposition of surcharges effective on the earliest practicable date. The commission shall establish a monthly charge no greater than ~~ten~~ 20 cents for each customer access line, including trunk equivalents as designated by the commission pursuant to section 403.11, subdivision 1.

Sec. 12. Minnesota Statutes 1992, section 237.52, subdivision 5, is amended to read:

Subd. 5. [EXPENDITURES.] Money in the fund may only be used for:

(1) expenses of the board, including personnel cost, public relations, board members' expenses, preparation of reports, and other reasonable expenses not to exceed 20 percent of total program expenditures;

(2) reimbursing the commissioner of human services for purchases made or services provided pursuant to section 237.53;

(3) reimbursing telephone companies for purchases made or services provided under section 237.53, subdivision 5; and

(4) contracting for establishment and operation of the ~~message~~ *telecommunication* relay service required by section 237.54.

All costs directly associated with the establishment of the board and program, the purchase and distribution of communication devices, and the establishment and operation of the ~~message~~ *telecommunication* relay service are either reimbursable or directly payable from the fund after authorization by the board. Notwithstanding section 16A.41, the board may advance money to the contractor of the ~~message~~ *telecommunication* relay service if the contractor establishes to the board's satisfaction that the advance payment is necessary for the operation of the service. The advance payment may be used only for working capital reserve for the operation of the service. The advance payment must be offset or repaid by the end of the contract fiscal year together with interest accrued from the date of payment.

Sec. 13. Minnesota Statutes 1992, section 237.54, is amended to read:

237.54 [MESSAGE TELECOMMUNICATION RELAY SERVICE.]

Subdivision 1. [ESTABLISHMENT.] The board shall contract with an inter-LATA interexchange telephone service provider to establish a third-party ~~message telecommunication~~ relay service with an "800" number to enable telecommunication between communication-impaired persons and non-communication-impaired persons.

Subd. 2. [OPERATION.] The board shall contract with a local consumer organization that serves communication-impaired persons for operation of the ~~message telecommunication~~ relay system. The board shall contract with a local consumer organization that serves communication-impaired persons for operation of the ~~message telecommunication~~ relay system. *The board may contract with other than a local consumer organization if the board finds by at least a two-thirds majority vote that no local consumer organization is available to enter into or perform a reasonable contract to operate a telecommunications relay system.* The operator of the system shall keep all messages confidential, shall train personnel in the unique needs of communication-impaired people, and shall inform communication-impaired persons and the public of the availability and use of the system. The operator shall not relay a message unless it originates or terminates through a communication device for the deaf or a ~~telebraille device~~ *braille device for use with a telephone.*

Sec. 14. Minnesota Statutes 1992, section 237.55, is amended to read:

237.55 [REPORTS; PLANS.]

The board shall prepare a report for presentation to the commission not later than December 31, 1987, to include plans for distributing communication devices and establishing a third-party message relay service and a recommendation for a funding mechanism pursuant to section 237.52, subdivision 2. The provision of service required under sections 237.50 to 237.56 may begin when the plan is approved by the commission or March 1, 1988, whichever is earlier.

Beginning in 1988, The board must prepare a report for presentation to the commission by December January 31 of each year through the year 1992. Each report must review the accessibility of the telephone system to communication-impaired persons, review the ability of non-communication-impaired persons to communicate with communication-impaired persons via the telephone system, describe services provided, account for money received and disbursed annually for each aspect of the program to date, and include predicted future operation until the final report.

The final report must, in detail, describe program operation and make recommendations for the funding and service level for necessary ongoing services. The commission may recommend changes in the program to the legislature throughout its operation and shall make a recommendation to the legislature by February 1, 1993, for the future provision and maintenance of the services.

Sec. 15. Laws 1987, chapter 308, section 8, is amended to read:

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective July 1, 1987, and are repealed effective June 30, 1993.

Sec. 16. [REPORT BY TACIP BOARD.]

*The telecommunication access for communication-impaired persons board shall report to the legislature by February 1, 1994, on the reasonableness of charging for toll calls made through the telecommunication relay service. The report shall include the economic and policy factors considered by the board.*

Sec. 17. [PUBLIC UTILITIES COMMISSION TRANSITIONAL AUTHORITY.]

*The public utilities commission is authorized to do all things necessary to ensure that a surcharge increase authorized by section 11 is implemented by July 1, 1993.*

Sec. 18. [EFFECTIVE DATE.]

*Sections 1 to 6, 8 to 12, 14, and 16, are effective July 1, 1993. Sections 7, 13, 15, and 17 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to utilities; regulating telephone services to communication-impaired persons; amending Minnesota Statutes 1992, sections 237.50, subdivisions 3, 4, 11, and by adding subdivisions; 237.51, subdivisions 1, 2, 4, 5, and 6; 237.52, subdivisions 2 and 5; 237.54; 237.55; and Laws 1987, chapter 308, section 8."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1000: A bill for an act relating to real estate; regulating fees, licenses, and agreements; requiring certain disclosures; providing for meetings of the real estate appraiser advisory board; changing terms; regulating fees and licenses; amending Minnesota Statutes 1992, sections 82.17, subdivision 4, and by adding subdivisions; 82.19, subdivision 5, and by adding subdivisions; 82.20, subdivisions 7, 8, and 15; 82.21, subdivision 1, and by adding a subdivision; 82.22, subdivisions 6 and 13; 82.24, subdivision 1; 82.27, subdivision 1; 82.33, subdivision 2, and by adding subdivisions; 82.34, subdivisions 3 and 4; 82B.02, by adding a subdivision; 82B.05, subdivision 5; 82B.09, subdivision 1; 82B.11; 82B.14; 82B.19, subdivision 2; and 507.45, subdivision 4; Laws 1992, chapter 555, article 1, section 12; proposing coding for new law in Minnesota Statutes, chapter 82; repealing Minnesota Statutes 1992, section 82.22, subdivision 7; Minnesota Rules, part 2805.1200.

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 1992, 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) 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) 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) 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; for another and for commission, fee, or other valuable consideration or with the intention or expectation of receiving the same, promotes the sale of real estate by advertising it in a publication issued primarily for this purpose, if the person:

(1) negotiates on behalf of any party to a transaction;

(2) disseminates any information regarding the property to any party or potential party to a transaction subsequent to the publication of the advertisement, except that in response to an initial inquiry from a potential purchaser, the person may forward additional written information regarding the property which has been prepared prior to the publication by the seller or broker or a representative of either;

(3) counsels, advises, or offers suggestions to the seller or a representative of the seller with regard to the marketing, offer, sale, or lease of the real estate, whether prior to or subsequent to the publication of the advertisement;

(4) counsels, advises, or offers suggestions to a potential buyer or a representative of the seller with regard to the purchase or rental of any advertised real estate; or

(5) engages in any other activity otherwise subject to licensure under this chapter;

(f) 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. 2. Minnesota Statutes 1992, section 82.17, is amended by adding a subdivision to read:

*Subd. 11. [DUAL AGENCY.] "Dual agency" means a situation in which a licensee owes a duty to more than one party to the transaction.*

*Circumstances which establish dual agency include the following:*

*(1) when one licensee represents both the buyer and the seller in a real estate transaction; or*

*(2) when two or more licensees, licensed to the same broker, each represent a party to the transaction.*

Sec. 3. Minnesota Statutes 1992, section 82.17, is amended by adding a subdivision to read:

*Subd. 12. [RESIDENTIAL REAL PROPERTY OR RESIDENTIAL REAL ESTATE.] "Residential real property" or "residential real estate" means property occupied by, or intended to be occupied by, one to four families as their residence.*

Sec. 4. Minnesota Statutes 1992, section 82.19, is amended by adding a subdivision to read:

*Subd. 4a. [SELF-SERVING PROVISION PROHIBITED.] No purchase agreement, earnest money contract, or similar contract for the purchase, rental, or lease of real property may contain any hold harmless clause or arbitration clause which addresses the rights or liabilities of persons required to be licensed pursuant to this chapter unless the person required to be licensed is a principal in the transaction.*

*This does not prohibit separate and independent written agreements between any of the parties and persons required to be licensed pursuant to this chapter.*

Sec. 5. Minnesota Statutes 1992, section 82.19, subdivision 5, is amended to read:

*Subd. 5. [DISCLOSURE REGARDING REPRESENTATION OF PARTIES.] (a) No person licensed pursuant to this chapter or who otherwise acts as a real estate broker or salesperson shall represent any party or parties to a real estate transaction or otherwise act as a real estate broker or salesperson unless that person makes an affirmative written disclosure to all parties to the transaction as to which party that person represents in the transaction. In a residential real property transaction, the disclosure must be made at the first substantive contact between the licensee and the party or potential party to the*

transaction. The disclosure shall be printed in at least 6-point bold type on the purchase agreement and acknowledged by separate signatures of the buyer and seller as a separate document, and acknowledged by the signature of the buyer, seller, or customer.

(b) The disclosure required by this subdivision must be made by the licensee prior to any offer being made to or accepted by the buyer. A change in licensee's representation that makes the initial disclosure incomplete, misleading, or inaccurate requires that a new disclosure be made at once with respect to any residential property transaction:

- (1) when representing the seller, at the signing of a listing agreement;
- (2) when representing the buyer, at the signing of a buyer's broker agreement;
- (3) as to all other parties (potential buyers or sellers) who are not represented by the licensee, before discussion of financial information or the commencement of negotiations, which could affect that party's bargaining position in the transaction.

A change in the licensee's representation, including dual agency, that makes the initial disclosure required by this paragraph incomplete, misleading, or inaccurate requires that a new disclosure be made at once.

(c) The seller may, in the listing agreement, authorize the seller's broker to disburse part of the broker's compensation to other brokers, including the buyer's brokers solely representing the buyer. A broker representing a buyer shall make known to the seller or the seller's agent the fact of the agency relationship before any showing or negotiations are initiated.

Sec. 6. Minnesota Statutes 1992, section 82.19, is amended by adding a subdivision to read:

*Subd. 8. [CLOSING SERVICES.] No real estate broker, salesperson, or closing agent shall require a person to use any particular lender, licensed attorney, real estate broker, real estate salesperson, real estate closing agent, or title company in connection with a residential real estate closing.*

Sec. 7. [82.195] [LISTING AGREEMENTS.]

*Subdivision 1. [REQUIREMENT.] Licensees shall obtain a signed listing agreement from the owner of real property or from another person authorized to offer the property for sale or lease before advertising to the general public that the real property is available for sale or lease.*

*For the purposes of this section "advertising" includes placing a sign on the owner's property that indicates that the property is being offered for sale or lease.*

*Subd. 2. [CONTENTS.] All listing agreements must be in writing and must include:*

- (1) a definite expiration date;
- (2) a description of the real property involved;
- (3) the list price and any terms required by the seller;
- (4) the amount of any compensation or commission or the basis for computing the commission;

(5) a clear statement explaining the events or conditions that will entitle a broker to a commission;

(6) information regarding an override clause, if applicable, including a statement to the effect that the override clause will not be effective unless the licensee supplies the seller with a protective list within 72 hours after the expiration of the listing agreement;

(7) the following notice in not less than ten-point boldface type immediately preceding any provision of the listing agreement relating to compensation of the licensee:

**“NOTICE: THE COMMISSION RATE FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND ITS CLIENT.”;**

(8) if the broker chooses to represent both buyers and sellers in connection with residential property transactions, a “dual agency” disclosure statement;

(9) a notice requiring the seller to indicate in writing whether it is acceptable to the seller to have the licensee arrange for closing services or whether the seller wishes to arrange for others to conduct the closing. The notice must also include the disclosure of any controlled business arrangement, as the term is defined in United States Code, title 12, section 1602, between the licensee and the real estate closing agent through which the licensee proposes to arrange closing services; and

(10) for residential listings, a notice stating that after the expiration of the listing agreement, the seller will not be obligated to pay the licensee a fee or commission if the seller has executed another valid listing agreement pursuant to which the seller is obligated to pay a fee or commission to another licensee for the sale, lease, or exchange of the real property in question. This notice may be used in the listing agreement for any other type of real estate.

Subd. 3. [PROHIBITED PROVISIONS.] Licensees shall not include in a listing agreement a holdover clause, automatic extension, or any similar provision, or an override clause the length of which is more than six months after the expiration of the listing agreement.

Subd. 4. [OVERRIDE CLAUSES.] Licensees shall not seek to enforce an override clause unless a protective list has been furnished to the seller within 72 hours after the expiration of the listing agreement.

Subd. 5. [PROTECTIVE LISTS.] A broker or salesperson has the burden of demonstrating that each person on the protective list has, during the period of the listing agreement, either made an affirmative showing of interest in the property by responding to an advertisement or by contacting the broker or salesperson involved or has been physically shown the property by the broker or salesperson. For the purpose of this section, the mere mailing or other distribution by a licensee of literature setting forth information about the property in question does not, of itself, constitute an affirmative showing of interest in the property on the part of a subsequent purchaser.

For listings of nonresidential real property which do not contain the notice described in subdivision 2, clause (10), the protective list must contain the following notice in boldface type:

**“IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN SELL YOUR PROPERTY TO ANYONE WHOSE NAME**

**APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE."**

**Sec. 8. [82.196] [BUYER'S BROKER AGREEMENTS.]**

*Subdivision 1. [REQUIREMENTS.] Licensees shall obtain a signed buyer's broker agreement from a buyer before performing any acts as a buyer's representative.*

*Subd. 2. [CONTENTS.] All buyer's broker agreements must be in writing and must include:*

*(1) a definite expiration date;*

*(2) the amount of any compensation or commission, or the basis for computing the commission;*

*(3) a clear statement explaining the services to be provided to the buyer by the broker, and the events or conditions that will entitle a broker to a commission or other compensation;*

*(4) a provision for cancellation of the agreement by either party upon terms agreed upon by the parties;*

*(5) information regarding an override clause, if applicable, including a statement to the effect that the override clause will not be effective unless the licensee supplies the buyer with a protective list within 72 hours after the expiration of the buyer's broker agreement;*

*(6) the following notice in not less than ten-point bold face type immediately preceding any provision of the buyer's broker agreement relating to compensation of the licensee:*

**"NOTICE: THE COMMISSION RATE FOR THE PURCHASE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY IS NEGOTIABLE AND SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND ITS CLIENT.";**

*(7) if the broker chooses to represent both buyers and sellers, a "dual agency" disclosure statement; and*

*(8) for buyer's broker agreements which involve residential real property, a notice stating that after the expiration of the buyer's broker agreement, the buyer will not be obligated to pay the licensee a fee or commission if the buyer has executed another valid buyer's broker agreement pursuant to which the buyer is obligated to pay a fee or commission to another licensee for the purchase, lease, or exchange of real property.*

*Subd. 3. [PROHIBITED PROVISIONS.] Licensees shall not include in a buyer's broker agreement a holdover clause, automatic extension, or any other similar provision, or an override clause the length of which is more than six months after the expiration of the buyer's broker agreement.*

*Subd. 4. [OVERRIDE CLAUSES.] Licensees shall not seek to enforce an override clause unless a protective list has been furnished to the buyer within 72 hours after the expiration of the buyer's broker agreement.*

*Subd. 5. [PROTECTIVE LISTS.] A licensee has the burden of demonstrating that each property on the protective list has been shown to the buyer, or*

*specifically brought to the attention of the buyer, during the time the buyer's broker agreement was in effect.*

*Subd. 6. [APPLICATION.] This section applies only to residential real property transactions.*

**Sec. 9. [82.197] [DISCLOSURE REQUIREMENTS.]**

*Subdivision 1. [AGENCY DISCLOSURE.] The listing agreement or a buyer's broker agreement must include a clear and complete explanation of how the broker will represent the interests of the seller or buyer, and, if the broker represents both sellers and buyers, state how that representation would be altered in a dual agency situation, and require the seller or buyer to choose whether to authorize the broker to initiate any transaction which would give rise to dual agency. Disclosure to a customer of a licensee's agency relationship with other parties must be made at a time and in a manner sufficient to protect the customer's bargaining position.*

*Subd. 2. [CREATION OF DUAL AGENCY.] If circumstances create a dual agency situation, the broker must make full disclosure to all parties to the transaction as to the change in relationship of the parties to the broker due to dual agency. A broker, having made full disclosure, must obtain the consent of all parties to these circumstances before accepting the dual agency.*

*Subd. 3. [SCOPE AND EFFECT.] The requirements for disclosure of agency relationships set forth in this chapter are intended to establish a minimum standard for regulatory purposes. Specific situations may require additional disclosure.*

*Subd. 4. [AGENCY DISCLOSURE FORMS.] (a) Disclosures of agency relationships shall be made in substantially the form set forth in paragraphs (b) to (e):*

**(b) ADDENDUM TO LISTING AGREEMENT**

*....(Broker).... will be representing you as your broker in the sale of your property located at ..... This relationship is called an agency. As your agent, ....(Broker).... owes you the duties of loyalty, obedience, disclosure, confidentiality, reasonable care and diligence, and full accounting. However, ....(Broker).... also represents buyers looking for properties. If a buyer represented by ....(Broker).... becomes interested in your property, a dual agency will be created. This means that ....(Broker).... will owe the same duties to the buyer that we owe to you. This conflict of interest will prohibit ....(Broker).... from advocating exclusively on your behalf when attempting to effect the sale of your property. Dual agency will limit the level of representation which ....(Broker).... can provide.*

*If a dual agency should arise, you will need to agree that confidential information about price, terms, and motivation will still be kept confidential unless you instruct ....(Broker).... in writing to disclose specific information about you or your property. All other information will be shared. Regardless of whether a dual agency occurs, ....(Broker).... must disclose to the buyer any material facts of which ....(Broker).... is aware that may adversely and significantly affect the buyer's use or enjoyment of the property. In addition, ....(Broker).... must disclose to both parties any information of which ....(Broker).... is aware that a party will not perform in accordance with the*

terms of the purchase agreement or similar written agreement to convey real estate.

....(Broker).... cannot act as a dual agent unless both you and the buyer agree to the dual agency after it is disclosed to you. By agreeing to a possible dual agency, you will be giving up the right to exclusive representation in an in-house transaction. However, if you should decide not to agree to a possible dual agency, and you want ....(Broker).... to represent you, you may give up the opportunity to sell your property to buyers represented by ....(Broker).....

SELLER'S INSTRUCTIONS TO BROKER

Having read and understood this information about dual agency, you now instruct ....(Broker).... as follows:

.... Seller agrees to dual agency representation and will consider offers made by buyers represented by ....(Broker).....

.... Seller does not agree to dual agency representation and will not consider offers made by buyers represented by ....(Broker).....

.....  
Seller (Broker)  
.....  
Seller BY: .....  
Salesperson  
Dated: .....

(c) ADDENDUM TO BUYER REPRESENTATION AGREEMENT

....(Broker).... will be representing you as your broker to assist you in finding and purchasing a property. This relationship is called an agency. As your agent, ....(Broker).... owes you the duties of loyalty, obedience, disclosure, confidentiality, reasonable care and diligence, and full accounting. However, ....(Broker).... also represents sellers by listing their property for sale. If you become interested in a property listed by ....(Broker)...., a dual agency will be created. This means that ....(Broker).... will owe the same duties to the seller that ....(Broker).... owes to you. This conflict of interest will prohibit ....(Broker).... from advocating exclusively on your behalf when attempting to effect the purchase of the property. Dual agency will limit the level of representation ....(Broker).... can provide.

If a dual agency should arise, you will need to agree that confidential information about price, terms, and motivation will still be kept confidential unless you instruct ....(Broker).... in writing to disclose specific information about you. All other information will be shared. Regardless of whether a dual agency occurs, ....(Broker).... must disclose to the buyer any material facts of which ....(Broker).... is aware that may adversely and significantly affect the buyer's use or enjoyment of the property. In addition, ....(Broker).... must disclose to both parties any information of which ....(Broker).... is aware that a party will not perform in accordance with the terms of the purchase agreement or similar written agreement to convey real estate.

....(Broker).... cannot act as a dual agent unless both you and the seller agree to the dual agency after it is disclosed to you. By agreeing to a possible dual agency, you will be giving up the right to exclusive representation in an in-house transaction. However, if you should decide not to agree to a possible

dual agency, and you want ....(Broker).... to represent you, you may give up the opportunity to purchase the properties listed by ....(Broker).....

**BUYER'S INSTRUCTIONS TO BROKER**

Having read and understood this information about dual agency, you now instruct ....(Broker).... as follows:

.... Buyer will agree to a dual agency representation and will consider properties listed by ....(Broker).....

.... Buyer will not agree to a dual agency representation and will not consider properties listed by ....(Broker).....

.....  
Buyer (Broker)

.....  
Buyer BY: Salesperson

Dated: .....

**(d) DISCLOSURE TO CUSTOMER**

Before ....(Broker).... begins to assist you in finding and purchasing a property, we must disclose to you that ....(Broker).... will be representing the seller in the transaction.

....(Broker).... will disclose to you all material facts about the property of which ....(Broker).... is aware, that could adversely and significantly affect your use or enjoyment of the property. ....(Broker).... will also assist you with the mechanics of the transaction.

When it comes to the price and terms of an offer, ....(Broker).... will ask you to make the decision as to how much to offer for any property and upon what terms and conditions. ....(Broker).... can explain your options to you, but the ultimate decision is yours. ....(Broker).... will attempt to show you properties in the price range and category you desire so that you will have information on which to base your decision.

....(Broker).... will present to the seller any written offer that you ask ....(Broker).... to present. ....(Broker).... asks you to keep to yourself any information about the price or terms of your offer, or your motivation for making an offer, that you do not want the seller to know. ....(Broker).... would be required, as the seller's agent, to disclose this information to the seller. You should carefully consider sharing any information with ....(Broker).... that you do not want disclosed to the seller.

.....  
Customer (Broker)

.....  
Customer BY: Salesperson

Dated: .....

**(e) DISCLOSURE TO BUYER AND SELLER AT TIME OF OFFER TO PURCHASE**

....(Broker).... represents the seller at the property located at .....

....(Broker).... also represents a buyer who offered to purchase the seller's property.

When ....(Broker).... represents both the buyer and the seller in a transaction, a dual agency is created. This means that ....(Broker).... and its agents owe a fiduciary duty to both buyer and seller. Because buyer and seller may have conflicting interests, ....(Broker).... and its agents are prohibited from advocating exclusively for either party.

....(Broker).... cannot represent both the buyer and seller in this transaction unless both the buyer and seller agree to this dual agency.

Buyer and seller acknowledge and agree that:

1. Confidential information communicated to ....(Broker).... which regards price, terms, or motivation to buy or sell will remain confidential unless buyer or seller instructs ....(Broker).... in writing to disclose this information about the buyer or seller. Other information will be shared.

2. ....(Broker).... and its salespersons will disclose to buyer all material facts of which they are aware which could adversely and significantly affect the buyer's use or enjoyment of the property or any intended use of the property of which ....(Broker).... or its salespersons are aware (this disclosure is required by law whether or not a dual agency is involved).

3. ....(Broker).... and its salespersons will disclose to both parties all information of which they are aware that either party will not perform in accordance with the terms of the purchase agreement or other written agreement to convey real estate (this disclosure is required by law whether or not a dual agency is involved).

4. ....(Broker).... and its salespersons will not represent the interests of either party to the detriment of the other.

5. Within the limits of dual agency, ....(Broker).... and its salespersons will work diligently to facilitate the mechanics of the sale.

With the knowledge and understanding of the explanation above, buyer and seller authorize and instruct ....(Broker).... and its salespersons to act as dual agents in this transaction.

.....	.....
Buyer	Seller
.....	.....
Buyer	Seller
Date:.....	Date:.....

Subd. 5. [APPLICATION.] The disclosures required by subdivision 4 apply only to residential real property transactions.

Sec. 10. Minnesota Statutes 1992, section 82.20, subdivision 15, is amended to read:

Subd. 15. [EXEMPTION.] The following persons, when acting as closing agents, are exempt from the requirements of sections 82.19 and 82.24 unless otherwise required in this section or chapter:

(1) a direct employee of a title company, or a person who has an agency agreement with a title company in which the agent agrees to perform closing



services on the title company's behalf and the title company assumes responsibility for the actions of the agent as if the agent were a direct employee of the title company;

(2) a licensed attorney or a direct employee of a licensed attorney;

(3) a licensed real estate broker or salesperson;

(4) a direct employee of a licensed real estate broker if the broker maintains all funds received in connection with the closing services in the broker's trust account; and

(5) any bank, trust company, savings and loan association, credit union, 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 businesses within the scope of its corporate powers as provided by law.

Sec. 11. Minnesota Statutes 1992, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$100 *per year* for each initial individual broker's license, and a fee of \$50 *per year* for each ~~annual~~ renewal thereof;

(b) A fee of \$50 *per year* for each initial salesperson's license, and a fee of \$20 *per year* for each ~~annual~~ renewal thereof;

(c) A fee of \$55 *per year* for each initial real estate closing agent license, and a fee of \$30 *per year* for each ~~annual~~ renewal;

(d) A fee of \$100 *per year* for each initial corporate or partnership license, and a fee of \$50 *per year* for each ~~annual~~ renewal thereof;

(e) A fee ~~not to exceed~~ of \$40 *per year* for payment to the education, research and recovery fund in accordance with section 82.34;

(f) A fee of \$20 for each transfer;

(g) A fee of \$50 for a corporation or partnership name change;

(h) A fee of \$10 for an agent name change;

(i) A fee of \$20 for a license history;

(j) A fee of \$10 for a duplicate license;

(k) A fee of \$50 for license reinstatement;

(l) A fee of \$20 for reactivating a corporate or partnership license without land;

(m) A fee of \$100 for course coordinator approval; and

(n) A fee of ~~\$10~~ \$20 for each hour or fraction of one hour of course approval sought.

Sec. 12. Minnesota Statutes 1992, section 82.21, is amended by adding a subdivision to read:

*Subd. 2a. [BROKER PAYMENT CONSOLIDATION.] For all license renewal fees, recovery fund renewal fees, and recovery fund assessments pursuant to this section and section 82.34, the broker must remit the fees or assessments for the company, broker, and all salespersons licensed to the broker, in the form of a single check.*

Sec. 13. Minnesota Statutes 1992, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) After January 1, 1987, Every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After January 1, 1987, Every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules, before filing an application for the license. Every salesperson licensed after January 1, 1987, shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, and before January 1, 1987, shall, within one year of the date a license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(c) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(d) After January 1, 1988, (c) An applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner, of which three hours shall consist of training in state and federal fair housing laws, regulations, and rules. The course must have been completed within six months prior to the date of application for the broker's license.

(e) After August 1, 1989, (d) An applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.

Sec. 14. Minnesota Statutes 1992, section 82.22, subdivision 13, is amended to read:

Subd. 13. [CONTINUING EDUCATION.] (a) ~~After July 1, 1987,~~ All real estate salespersons and all real estate brokers shall be required to successfully complete 15 hours of real estate education, either as a student or a lecturer, in courses of study approved by the commissioner, each year after their initial annual renewal date or after the expiration of their currently assigned three year continuing education due date. All salespersons and brokers shall report continuing education on an annual basis ~~no later than June 30, 1990~~ *May 31*. Hours in excess of 15 earned in any one year may be carried forward to the following year.

(b) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.

(c) Any program approved by Minnesota continuing legal education shall be approved by the commissioner of commerce for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate.

(d) As part of the continuing education requirements of this section, the commissioner shall require that all real estate brokers and salespersons receive at least two hours of training every even-numbered year in courses in state and federal fair housing laws, regulations, and rules, or other antidiscrimination laws.

Sec. 15. Minnesota Statutes 1992, section 82.24, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) All trust funds received by a broker or the broker's salespeople or closing agents shall be deposited forthwith upon receipt in a trust account, maintained by the broker for such purpose in a bank, savings and loan association, credit union, or an industrial loan and thrift company with deposit liabilities designated by the broker or closing agent, except as such money may be paid to one of the parties pursuant to express written agreement between the parties to a transaction. The depository bank shall be a Minnesota bank or trust company or any foreign bank and shall authorize the commissioner to examine its records of such deposits upon demand by the commissioner. The industrial loan and thrift company shall be organized under chapter 53. The savings and loan association or credit union shall be organized under the laws of any state or the United States.

(b) *All trust accounts opened or maintained pursuant to requirements of paragraph (a) must be established through the use of an employer identification number. Any trust account currently identified with a broker's personal social security number must be changed to reflect the broker's employer's identification number rather than the broker's personal social security number.*

Sec. 16. Minnesota Statutes 1992, section 82.27, subdivision 1, is amended to read:

Subdivision 1. The commissioner may by order deny, suspend or revoke any license or may censure a licensee if the commissioner finds (1) that the order is in the public interest, and (2) that the applicant or licensee or, in the case of a broker, any officer, director, partner, employee or agent or any person

occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker or closing agent or controlled by the broker or closing agent:

(a) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(b) has engaged in a fraudulent, deceptive, or dishonest practice;

(c) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the real estate business;

(d) has failed to reasonably supervise brokers, salespersons, or closing agents so as to cause injury or harm to the public;

(e) has violated or failed to comply with any provision of this chapter or any rule or order under this chapter; or

(f) has, in the conduct of the licensee's affairs under the license, been shown to be incompetent, untrustworthy, or financially irresponsible; or

*(g) has acted on behalf of any party to a transaction, where the licensee has a conflict of interest that may affect the licensee's ability to represent that party, without the knowledge and consent of the party.*

Sec. 17. Minnesota Statutes 1992, section 82.33, subdivision 2, is amended to read:

*Subd. 2. No person required by this chapter to be licensed shall be entitled to or may bring or maintain any action in the courts for any commission, fee or other compensation with respect to the purchase, sale, lease or other disposition or conveyance of real property, or with respect to the negotiation or attempt to negotiate any sale, lease or other disposition or conveyance of real property unless there is a written agreement with the person bringing or maintaining the action required to be licensed.*

Sec. 18. Minnesota Statutes 1992, section 82.33, is amended by adding a subdivision to read:

*Subd. 3. No person required by this chapter to be licensed shall be entitled to bring any action to recover any commission, fee, or other compensation with respect to the purchase, sale, lease, or other disposition or conveyance of residential real property, or with respect to the negotiation or attempt to negotiate any sale, lease, or other disposition or conveyance of residential real property unless the person's agency relationships have been disclosed to the parties to the transaction in accordance with the requirements of this chapter.*

Sec. 19. Minnesota Statutes 1992, section 82.33, is amended by adding a subdivision to read:

*Subd. 4. No person required to be licensed by this chapter may maintain an action in the courts of this state to enforce any provision of a purchase agreement, earnest money contract, or similar contract for the purchase, rental, or lease of real property if the provision to be enforced violates section 82.19, subdivision 4a.*

Sec. 20. Minnesota Statutes 1992, section 82.34, subdivision 3, is amended to read:

Subd. 3. [FEE FOR REAL ESTATE FUND.] Each real estate broker, real estate salesperson, and real estate closing agent entitled under this chapter to renew a license shall pay in addition to the appropriate renewal fee a further fee of \$25 *per year* which shall be credited to the real estate education, research, and recovery fund. Any person who receives a *an initial* license shall pay the fee of \$50 in addition to all other fees payable.

Sec. 21. Minnesota Statutes 1992, section 82.34, subdivision 7, is amended to read:

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction regardless of whether the judgment has been discharged by a bankruptcy court against an individual licensed under this chapter, on grounds of fraudulent, deceptive, or dishonest practices, or conversion of trust funds arising directly out of any transaction when the judgment debtor was licensed and performed acts for which a license is required under this chapter, or performed acts permitted by section 327B.04, subdivision 5, the aggrieved person may, upon the judgment becoming final, and upon termination of all proceedings, including reviews and appeals, file a verified application in the court in which the judgment was entered for an order directing payment out of the fund of the amount of actual and direct out of pocket loss in the transaction, but excluding any attorney's fees, interest on the loss and on any judgment obtained as a result of the loss, up to the sum of \$150,000 of the amount unpaid upon the judgment, provided that nothing in this chapter shall be construed to obligate the fund for more than \$150,000 per claimant, per transaction, subject to the limitations set forth in subdivision 14, regardless of the number of persons aggrieved or parcels of real estate involved in the transaction, provided that regardless of the number of claims against a licensee, nothing in this chapter may obligate the fund for more than \$250,000 per licensee. An aggrieved person who has a cause of action under section 80A.23 shall first seek recovery as provided in section 80A.05, subdivision 5, before the commissioner may order payment from the recovery fund. For purposes of this section, persons who are joint tenants or tenants in common are deemed to be a single claimant. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of service filed with the court. For the purpose of this section, "aggrieved person" shall not include a licensee unless (1) the licensee is acting in the capacity of principal in the sale of interests in real property owned by the licensee; or (2) the licensee is acting in the capacity of principal in the purchase of interests in real property to be owned by the licensee. Under no circumstances shall a licensee be entitled to payment under this section for the loss of a commission or similar fee.

*For the purposes of this section, recovery is limited to transactions where the property involved is intended for the direct personal habitation or commercial use of the buyer.*

*Except for securities permitted to be sold by a licensee pursuant to section 82.19, subdivision 7, for any action commenced after July 1, 1993, recovery under this section is not available where the buyer's participation is for investment purposes only, and is limited to providing capital to fund the transaction.*

Sec. 22. Minnesota Statutes 1992, section 82B.02, is amended by adding a subdivision to read:

*Subd. 14. [TRANSACTION VALUE.] "Transaction value" means:*

*(1) for loans or other extensions of credit, the amount of the loan or extension of credit;*

*(2) for sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved; and*

*(3) for the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property.*

Sec. 23. Minnesota Statutes 1992, section 82B.035, is amended by adding a subdivision to read:

*Subd. 3. [GEOLOGISTS OR ENGINEERS.] This chapter does not apply to an appraisal, analysis, opinion, or conclusion as to the value of oil, gas, coal, and other mineral resources performed by an engineer registered as provided in sections 326.01 to 326.15 or by a certified professional geologist, unless the appraisal, analysis, opinion, or conclusion of value is performed in connection with a federally related transaction subject to the requirements of 12 U.S.C. 3331, et seq., the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.*

Sec. 24. Minnesota Statutes 1992, section 82B.05, subdivision 5, is amended to read:

*Subd. 5. [CONDUCT OF MEETINGS.] Places of regular board meetings must be decided by the vote of members. Written notice must be given to each member of the time and place of each meeting of the board at least ten days before the scheduled date of regular board meetings. The board shall establish procedures for emergency board meetings and other operational procedures, subject to the approval of the commissioner.*

The members of the board shall elect a chair from among the members to preside at board meetings.

A quorum of the board is eight members.

~~The board shall meet at least quarterly, except that a meeting may be canceled, subject to the approval by the commissioner if as determined by a majority vote of the members determine that the meeting is not necessary or a call of the commissioner.~~

~~The commissioner or a majority of the members may schedule additional meetings as necessary.~~

Sec. 25. Minnesota Statutes 1992, section 82B.11, is amended to read:

82B.11 [CLASSES OF LICENSE.]

Subdivision 1. [GENERALLY.] There are five classes of license for real estate appraisers.

Subd. 2. [STATE REGISTERED REAL PROPERTY APPRAISER.] When a net income capitalization analysis is not required by the uniform standards of professional appraisal practice, a state registered real property appraiser may appraise residential real property or agricultural property.

Subd. 3. [~~FEDERAL RESIDENTIAL LICENSED REAL PROPERTY APPRAISER.~~] A federal residential licensed real property appraiser may appraise noncomplex ~~one to four~~ residential ~~units~~ property or agricultural property having a transaction value less than \$1,000,000 and complex ~~one to four~~ residential ~~units~~ or agricultural property having a transaction value less than \$250,000.

Subd. 4. [~~CERTIFIED FEDERAL RESIDENTIAL REAL PROPERTY APPRAISER.~~] A certified federal residential real property appraiser may appraise ~~one to four~~ residential ~~units~~ property or agricultural property without regard to transaction value or complexity.

Subd. 5. [~~CERTIFIED FEDERAL GENERAL REAL PROPERTY APPRAISER.~~] A certified federal general real property appraiser may appraise all types of real property.

Subd. 6. [TEMPORARY PRACTICE.] The commissioner shall issue a license for temporary practice as a real estate appraiser under subdivision 3, 4, or 5 to a person certified or licensed by another state if:

(1) the property to be appraised is part of a federally-related transaction and the person is licensed to appraise property limited to the same transaction value or complexity provided in subdivision 3, 4, or 5;

(2) the appraiser's business is of a temporary nature; and

(3) the appraiser registers with the commissioner to obtain a temporary license ~~prior to~~ before conducting appraisals within the state.

Sec. 26. Minnesota Statutes 1992, section 82B.14, is amended to read:

82B.14 [EXPERIENCE REQUIREMENT.]

(a) A license under section 82B.11, subdivision 3, 4, or 5, may not be issued to a person who does not have the equivalent of two years of experience in real property appraisal supported by adequate written reports or file memoranda.

(b) Each applicant for license under section 82B.11, subdivision 3, 4, or 5, shall give under oath a detailed listing of the real estate appraisal reports or file memoranda for each year for which experience is claimed by the applicant. Upon request, the applicant shall make available to the commissioner for examination, a sample of appraisal reports that the applicant has prepared in the course of appraisal practice.

(c) Applicants may not receive credit for experience accumulated while unlicensed, if the experience is based on activities which required a license under this section.

Sec. 27. Minnesota Statutes 1992, section 82B.19, subdivision 2, is amended to read:

Subd. 2. [RULES.] (a) The commissioner may adopt rules to assure that persons renewing their licenses as licensed real estate appraisers have current knowledge of real property appraisal theories, practices, and techniques that will provide a high degree of service and protection to those members of the public with whom they deal in a professional relationship under authority of their license. The rules must include the following:

(1) policies and procedures for obtaining approval of courses of instruction;

(2) standards, monitoring methods, and systems for recording attendance to be employed by course sponsors as a prerequisite to approval of courses for credit; and

(3) coordination with real estate continuing education requirements so that as the commissioner considers courses or parts of courses appropriate they may be used to satisfy both real estate and appraiser continuing education requirements.

(b) To the extent the commissioner considers it appropriate, courses or parts of courses may be considered to satisfy both continuing education requirements under this section and continuing real estate education requirements.

(c) As a prerequisite for course approval, sponsors shall submit proposed monitoring methods, and systems for recording attendance sufficient to ensure that participants receive course credit only for portions actually attended.

Sec. 28. Minnesota Statutes 1992, section 507.45, subdivision 4, is amended to read:

Subd. 4. [CHOICE OF CLOSING AGENT; LISTING NOTICE; RULES.]

(a) No real estate salesperson, broker, attorney, auctioneer, builder, title company, financial institution, or other person making a mortgage loan may require a person 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.

(b) All listing agreements must include a notice informing sellers of their rights under this subdivision. The notice must require the seller to indicate in writing whether it is acceptable to the seller to have the licensee arrange for closing services or whether the seller wishes to arrange for others to conduct the closing. The notice must also include the disclosure of any controlled business arrangement, as the term is defined in United States Code, title 12, section 1602, between the licensee and the real estate closing agent through which the licensee proposes to arrange closing services.

(e) ~~The commissioner of commerce may adopt rules under chapter 14 to implement, administer, and enforce this subdivision.~~

Sec. 29. Laws 1992, chapter 555, article 1, section 12, is amended to read:

Sec. 12. [PENDING CLAIMS.]

The change in the per year limit contained in section 6 does not apply to a ~~cause of action~~ *civil or administrative proceeding* that was commenced before August 1, 1992.

Sec. 30. [APPLICATION OF CHAPTER 82 AMENDMENTS.]

*The amendments to Minnesota Statutes, chapter 82, made by this act are not intended to apply to, or affect the outcome of, any litigation pending on the date of final enactment of those amendments.*

Sec. 31. [REVISOR INSTRUCTION.]

*The revisor shall change terms in Minnesota Statutes and Minnesota Rules to reflect the changes in the names of the five classes of licenses for real estate appraisers made in section 25:*



## Sec. 32. [REPEALER.]

(a) *Minnesota Statutes 1992, sections 82.22, subdivision 7; and 462A.201, subdivision 5, are repealed.*

(b) *Minnesota Rules, part 2805.1200, is repealed.*

## Sec. 33. [EFFECTIVE DATE.]

*Sections 1 to 9, 18, 19, and 32 are effective October 1, 1993.*

*Sections 10 to 17, 20 to 22, 24 to 28, and 31 are effective July 1, 1993.*

*Section 29 is effective retroactive to the effective date of the section being amended.*

*Section 30 is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 9, delete "subdivisions 7, 8, and" and insert "subdivision"

Page 1, line 13, delete "4" and insert "7"

Page 1, line 14, after the first semicolon, insert "82B.035, by adding a subdivision;" and delete "82B.09,"

Page 1, line 15, delete "subdivision 1;"

Page 1, line 19, delete "section" and insert "sections" and after the semicolon, insert "and 462A.201, subdivision 5;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Messrs. Pogemiller and Stumpf from the Committee on Education, to which was referred

S.F. No. 1465: A bill for an act relating to higher education; creating a higher education instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; appropriating money.

Report the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, after the period, insert "*The higher education instructional telecommunications network shall use the statewide telecommunications access and routing system where operationally, technically, and economically feasible in order to maximize the state's telecommunication resources.*"

Page 1, delete lines 20 to 26 and insert:

"*Subd. 2. [HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall administer the higher education instructional telecommunications network. The board shall convene the higher education instructional telecommunications council.*

*Subd. 3. [NETWORK COUNCIL.] The higher education instructional telecommunications network council shall be composed of: two representatives selected by each public higher education system, one private college*

*representative selected by the Minnesota private college council; the commissioner of education or designee to represent K-12 education, and one higher education coordinating board representative. The council shall:*

*(1) develop a vision and plans for the use of distance learning technologies and provide leadership in implementing the use of such technologies;*

*(2) develop educational policy for matters affecting the network;*

*(3) determine priorities for network use;*

*(4) oversee coordination of network activity with campuses, K-12 education, and regional educational telecommunications networks; and*

*(5) determine priorities for grant funding proposals.”*

Page 2, delete lines 1 to 16

Page 2, line 25, delete “*advisory*”

Page 2, line 35, delete “*and*”

Page 3, line 1, before the period, insert “; *and*”

*(6) the higher education instructional telecommunications network shall use the statewide telecommunications access and routing system where operationally, technically, and economically feasible in order to maximize the state’s telecommunication resources”*

Page 3, line 10, delete “*advisory*”

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 746: A bill for an act relating to limited liability companies; requiring biennial registration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 322B.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 3 and 4, delete section 2

Amend the title as follows:

Page 1, line 3, delete “appropriating money;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 615: A bill for an act relating to human rights; providing for protection for disabled persons in employment; clarifying permissible absenteeism under the “reasonable accommodation” clause; extending the time frame from 45 to 90 days for bringing a civil action after a “no probable cause” determination; providing for the right to a jury trial; amending

Minnesota Statutes 1992, sections 363.01, subdivision 13; 363.02, subdivision 5; 363.03, subdivision 1; 363.14, subdivision 2; and 363.117.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, before "'Disability'" insert "(a)"

Page 1, line 19, before "With" insert:

"(b)"

Page 1, line 20, delete everything after the comma and insert "the following factors should be used in determining whether a person is materially limited in securing a job due to a physical or mental impairment:

- (1) the number and types of jobs from which the individual is disqualified;
- (2) geographic area to which the individual has reasonable access;
- (3) individual's own job expectations and training; and
- (4) criteria or qualifications in use generally."

Page 1, delete lines 21 and 22

Page 2, line 9, after "prove" insert "the existence of" and delete "not speculative or" and insert "of serious harm and that the risk cannot be eliminated or reduced below the level of a serious threat by reasonable accommodation"

Page 2, line 10, delete "remote"

Page 2, delete lines 16 to 19 and insert:

"It is not conclusive that the"

Page 5, line 28; delete "temporary"

And when so amended the bill do pass. Mr. Johnson, D.E. questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Reichgott from the Committee on Judiciary, to which was referred

H.F. No. 846: A bill for an act relating to civil commitment; authorizing new procedures for return of certain patients who are absent from treatment facilities without authorization; amending Minnesota Statutes 1992, section 253B.23, subdivision 1a.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1504: A bill for an act relating to transportation; adopting federal motor carrier safety regulations; defining terms; making technical changes; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on bills of lading and other motor carrier documents; imposing penalties;

amending Minnesota Statutes 1992, sections 168.011, subdivision 36; 168.1281, subdivision 3; 169.81, subdivision 2; 221.011, by adding subdivisions; 221.031, subdivisions 2, 2a, 2b, 3, 3a, 3b, 3c, 5, and 6; 221.0313, subdivision 1; 221.033, subdivisions 2 and 2a; 221.035, subdivision 2; 221.036, subdivisions 1 and 3; 221.172; 221.81, subdivision 3e; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Laws 1992, chapter 568, section 1; and 578, section 15.

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 1992, section 168.011, subdivision 36, is amended to read:

Subd. 36. [PERSONAL TRANSPORTATION SERVICE VEHICLE.] “Personal transportation service vehicle” is a passenger vehicle that has a seating capacity of up to six persons excluding the driver, or a van or station wagon with a seating capacity of up to 12 persons excluding the driver, that provides personal transportation service as defined in section 221.011, subdivision 33 34.

Sec. 2. Minnesota Statutes 1992, section 168.1281, subdivision 3, is amended to read:

Subd. 3. [NOTIFICATION OF CANCELLATION.] The commissioner shall immediately notify the commissioner of transportation if the policy of a person required to have a permit under section ~~221.094~~ 221.85 is canceled or no longer provides the coverage required by subdivision 2.

Sec. 3. Minnesota Statutes 1992, section 169.81, subdivision 2, is amended to read:

Subd. 2. [LENGTH OF SINGLE VEHICLE.] (a) No single unit motor vehicle, except mobile cranes which may not exceed 48 feet *and buses which may not exceed 45 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 combination may have an overall length in excess of 28-1/2 feet, exclusive of:

(1) non-cargo-carrying accessory equipment, including refrigeration units or air compressors and upper coupler plates, necessary for safe and efficient operation, mounted or located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor;

(2) the tow bar assembly; and

(3) lower coupler equipment that is a fixed part of the rear end of the first trailer.

The commissioner may not grant a permit authorizing the movement, in a three-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. 4. Minnesota Statutes 1992, section 221.011, is amended by adding a subdivision to read:

*Subd. 42. [LIGHTWEIGHT VEHICLE.] "Lightweight vehicle" means a vehicle with a gross vehicle weight of 10,000 pounds or less, but does not include a vehicle transporting passengers for hire or a vehicle transporting hazardous materials that must be placarded or marked under Code of Federal Regulations, title 49, section 177.823.*

Sec. 5. Minnesota Statutes 1992, section 221.011, is amended by adding a subdivision to read:

*Subd. 43. [PETROLEUM TRANSPORT.] "Petroleum transport" means a vehicle, trailer, or semitrailer with a tank (1) that is mounted on it or made an integral part of it, other than the fuel supply tank for the engine of that vehicle, (2) that is filled or emptied while on the vehicle, and (3) that is used to transport petroleum products in bulk.*

Sec. 6. Minnesota Statutes 1992, 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; 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~~ \$200,000 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 *abbreviated annual report*, in a form as may be prescribed by the commissioner, attesting that the motor carrier's gross revenues did not exceed ~~\$50,000~~ \$200,000 in the previous calendar year. Motor carrier gross revenues from for-hire transportation, for the purposes of this subdivision only, do not include gross revenues received from the operation of school buses as defined in section 169.01, subdivision 6.

(f) The commissioner shall enforce sections 169.781 to 169.783.

(g) The commissioner shall make no rules relating to the granting, limiting, or modifying of permits or certificates of convenience and necessity, which are powers granted to the board.

(h) The board may extend the termini of a route or alter or change the route of a regular route common carrier upon petition and after finding that public convenience and necessity require an extension, alteration, or change.

Sec. 7. Minnesota Statutes 1992, section 221.031, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS FOR PRIVATE CARRIERS.] This subdivision applies to private carriers engaged in intrastate commerce.

(a) Private carriers operating vehicles with a gross vehicle weight of more than 10,000 pounds shall comply with rules adopted under this:

(1) section 221.0314, subdivisions 2 to 5, for driver qualifications;

(2) section 221.0314, subdivision 9, for hours of service of drivers; ~~safe operation~~

(3) section 221.0314, subdivision 6, for driving of motor vehicles; ~~equipment~~;

(4) section 221.0314, subdivision 7, for parts, and accessories necessary for safe operation;

(5) section 221.0314, subdivision 10, for inspection, repair, and maintenance; and

(6) this section for leasing of vehicles or vehicles and drivers; and ~~inspection, repair, and maintenance.~~

Private carriers not subject to the rules of the commissioner for driver qualifications on before August 1, 1992, must comply with those rules on and after August 1, 1994.

(b) The rules for hours of service of drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under chapter 308A; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) engaged in the transportation of construction materials, tools and equipment from shop to job site or job site to job site, for use by the private carrier in the new construction, remodeling, or repair of buildings, structures or their appurtenances.

(c) The rules for driver qualifications and hours of service of drivers do not apply to vehicles controlled by a farmer and operated by a farmer or farm employee to transport agricultural products, farm machinery, or supplies to or from a farm if the vehicle is not used in the operations of a motor carrier and not carrying hazardous materials of a type or quantity that requires the vehicle to be marked or placarded in accordance with section 221.033.

(d) *The rules for driver qualifications do not apply to a driver employed by a private carrier while operating a lightweight vehicle.*

Sec. 8. Minnesota Statutes 1992, 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; ~~safe operation driving of motor vehicles;~~ and ~~equipment, parts,~~ and accessories *necessary for safe operation*, except as provided in paragraphs (b) and (c).

(b) A rear-end dump truck or other rear-unloading truck while being used for hauling agricultural and other farm products from a place of production or on-farm storage site to a place of processing or storage, is not subject to any rule of the commissioner requiring rear-end protection, including a federal regulation adopted by reference.

(c) A private carrier operating a commercial motor vehicle as defined in section 169.781, subdivision 1, must comply with sections 169.781 to 169.783.

Sec. 9. Minnesota Statutes 1992, section 221.031, subdivision 2b, is amended to read:

Subd. 2b. [OTHER EXEMPTIONS.] From August 1, 1992, to August 1, 1994, the rules of the ~~commissioner~~ for hours of service ~~for~~ of drivers do not apply to a person exclusively engaged in the transportation of asphalt cement, cementitious material, fly ash, or sod, construction debris, and solid waste when transported by a transfer driver, when the transportation is provided within a radius of 100 miles from (1) the person's home post office, or (2) a highway construction or maintenance site where the asphalt cement, cementitious material, fly ash, or sod is being used.

Sec. 10. Minnesota Statutes 1992, section 221.031, subdivision 3, is amended to read:

Subd. 3. [VEHICLES OVER 10,000 POUNDS NOT EXEMPT.] (a) This subdivision applies to persons engaged in intrastate commerce who operate

vehicles providing transportation described in section 221.025 with a gross vehicle weight in excess of 10,000 pounds, except school buses, commuter vans, and authorized emergency vehicles.

(b) Persons providing transportation described in section 221.025, clause (f), (j), (l), or (m), must comply with the rules of the commissioner for safe operation driving of motor vehicles and for equipment, parts, and accessories necessary for safe operation.

(c) Persons providing transportation described in section 221.025, except for persons providing transportation described in clause (f), (j), (l), or (m), must comply with the rules of the commissioner for safe operation driving of motor vehicles; equipment, parts, and accessories necessary for safe operation; and, after August 1, 1994, the rules of the commissioner for driver qualifications.

Sec. 11. Minnesota Statutes 1992, 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 driving of motor vehicles; equipment, parts, and accessories necessary for safe operation; hours of service of drivers; inspection, repair, and maintenance; and the rules adopted in section 221.0314, subdivision 8, for accident reporting.

This subdivision does not apply to (1) a local transit commission, (2) a transit authority created by the legislature, (3) special transportation service certified by the commissioner under section 174.30, or (4) special transportation service defined in section 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger vehicle defined in section 169.01, subdivision 3a.

Sec. 12. Minnesota Statutes 1992, section 221.031, subdivision 3b, is amended to read:

Subd. 3b. [PASSENGER TRANSPORTATION; EXEMPTIONS.] (a) A person who transports passengers for hire in intrastate commerce, who is not made subject to the commissioner's rules by any other provision of this adopted in section 221.0314 by any other provision of this section, must comply with the commissioner's rules on maximum for hours of service for of drivers while transporting employees of an employer who is directly or indirectly paying the cost of the transportation.

(b) This subdivision does not apply to:

- (1) a local transit commission;
- (2) a transit authority created by law; or
- (3) persons providing transportation:
  - (i) in a school bus as defined in section 169.01, subdivision 6;
  - (ii) in a commuter van;
  - (iii) in an authorized emergency vehicle as defined in section 169.01, subdivision 5;



(iv) in special transportation service certified by the commissioner under section 174.30;

(v) that is special transportation service as defined in section 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger vehicle as defined in section 169.01, subdivision 3a;

(vi) in a limousine the service of which is licensed by the commissioner under section 221.84; or

(vii) in a taxicab, if the fare for the transportation is determined by a meter inside the taxicab that measures the distance traveled and displays the fare accumulated.

Sec. 13. Minnesota Statutes 1992, section 221.031, subdivision 3c, is amended to read:

Subd. 3c. [SOLID WASTE TRANSPORTERS NOT EXEMPT.] Persons providing transportation described in section 221.025, clause (b), must comply with the rules of the commissioner for driver qualifications after August 1, 1994; hours of service of drivers; ~~safe operation driving of motor vehicles; equipment, parts, and accessories necessary for safe operation;~~ and inspection, repair, and maintenance. A local government unit, as defined in section 115A.03, subdivision 17, shall not enact or enforce laws, ordinances, or regulations for the operation of solid waste transporters that are inconsistent with the rules of the commissioner adopted in section 221.0314.

Sec. 14. Minnesota Statutes 1992, section 221.031, subdivision 5, is amended to read:

Subd. 5. [DEPARTMENT INVESTIGATES.] The department shall investigate the operation of carriers subject to the rules of the commissioner under this adopted in section 221.0314, their compliance with rules of the department and board and with the provisions of chapter 221, and may institute and prosecute actions and proceedings in the proper district court for enforcement of those rules.

Sec. 15. Minnesota Statutes 1992, section 221.031, subdivision 6, is amended to read:

Subd. 6. [VEHICLE IDENTIFICATION RULE.] (a) The following carriers shall display the carrier's name and address on the power unit of each vehicle:

- (1) motor carriers, regardless of the weight of the vehicle;
- (2) interstate and intrastate private carriers operating vehicles with a gross vehicle weight of *more than 10,000 pounds or more*; and
- (3) vehicles providing transportation described in section 221.025 with a gross vehicle weight of *more than 10,000 pounds or more* except those providing transportation described in section 221.025, clauses (a), (c), and (d).

Vehicles described in clauses (2) and (3) that are operated by farmers or farm employees and have four or fewer axles are not required to comply with the vehicle identification rule of the commissioner.

(b) Vehicles subject to this subdivision must show the name or "doing business as" name of the carrier operating the vehicle and the community and

abbreviation of the state in which the carrier maintains its principal office or in which the vehicle is customarily based. If the carrier operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the operating carrier appears on the vehicle, the words "operated by" must immediately precede the name of the carrier.

(c) The name and address must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle is stationary, and be maintained in a manner that retains the legibility of the markings. The name and address may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.

Sec. 16. Minnesota Statutes 1992, section 221.0313, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE; INTENT; EXEMPTION.] (a) The purpose of this section is to adopt federal regulations governing testing for controlled substances.

(b) The legislature intends that the adopted federal regulations be applied:

(1) to persons who provide intrastate transportation, who are subject to the rules of the commissioner adopted in section 221.0314, subdivisions 2 to 5, for driver qualifications, and who operate commercial motor vehicles, as defined in Code of Federal Regulations, title 49, section 391.85; and

(2) in the same manner that the federal regulations apply to interstate transportation.

(c) Intrastate carriers who are required to comply with the adopted federal regulations are exempt from the requirements of sections 181.950 to 181.957. This exemption applies only to the testing of drivers.

Sec. 17. [221.0314] [FEDERAL SAFETY REGULATIONS; ADOPTION.]

Subdivision 1. [APPLICABILITY.] (a) *Intrastate motor carriers, private carriers, and persons providing intrastate transportation described in section 221.025, must comply with the rules incorporated in this section to the extent required by section 221.031. Every carrier and its officers, agents, representatives, and employees responsible for managing, maintaining, equipping, operating, or driving motor vehicles, or hiring, supervising, training, assigning, or dispatching drivers, must be instructed in and comply with the rules incorporated in this section and shall require that its agents, representatives, drivers, and employees comply.*

(b) *In the rules incorporated in subdivisions 2 to 11:*

(1) *the term "motor carrier" means a carrier required to comply with this section by section 221.031;*

(2) *a reference to a federal agency or office means the Minnesota department of transportation; and*

(3) *a reference to a federal administrative officer means the commissioner of the Minnesota department of transportation.*

*Subd. 2. [QUALIFICATIONS OF DRIVERS.] Code of Federal Regulations, title 49, part 391 and appendixes C, D, and E, are incorporated by reference except for sections 391.1; 391.2; 391.11, paragraph (b)(1); 391.47; 391.49, paragraphs (b) to (1); 391.51, paragraphs (f) and (g); 391.67; 391.69; 391.71; and those sections incorporated in section 221.0313, subdivision 4. In addition, the cross references to Code of Federal Regulations, title 49, section 391.62, 391.67, or 391.71 or to part 391, subpart G, found in Code of Federal Regulations, title 49, sections 391.11, paragraphs (a) and (b); 391.21, paragraph (a); 391.23, paragraph (a); 391.25; 391.27, paragraph (a); 391.31, paragraph (a); 391.35, paragraph (a); 391.41, paragraph (a); and 391.45, are not incorporated by reference.*

*Subd. 3. [WAIVER FOR PHYSICAL DEFECTS.] A person who is not physically qualified to drive under subdivision 2, but who meets the other qualifications under subdivision 2, may drive a motor vehicle if the commissioner grants a waiver to that person. The commissioner may grant a waiver to a person who is not physically qualified to drive under Code of Federal Regulations, title 49, section 391.41, paragraph (b)(1) or (b)(2), according to rules adopted under section 221.031. The commissioner may grant a waiver to a person who is not physically qualified to drive under Code of Federal Regulations, title 49, section 391.41, paragraph (b)(3) to (b)(13) for medical conditions for which waiver programs have been established by the United States Department of Transportation. The commissioner shall require the same information and follow the same procedure as the United States Department of Transportation in granting the waivers.*

*Subd. 4. [AGE REQUIREMENT FOR DRIVERS.] Drivers of vehicles engaged in intrastate transportation and subject to subdivision 2 must be at least 18 years of age. Drivers of vehicles subject to section 221.033, must be at least 21 years of age, except as provided in that section.*

*Subd. 5. [LOCATION OF DRIVER QUALIFICATION FILES.] A carrier subject to subdivision 2 must keep each driver's qualification file at the carrier's principal place of business for as long as a driver is employed by that carrier and for three years after the driver leaves employment. Upon written request to and with the written approval of the commissioner, a carrier may retain driver qualification files at a regional or terminal office.*

*Subd. 6. [DRIVING OF MOTOR VEHICLES.] Code of Federal Regulations, title 49, part 392, is incorporated by reference, except that sections 392.1, 392.2, and 392.30, paragraph (a), of that part, are not incorporated.*

*Subd. 7. [PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION.] Code of Federal Regulations, title 49, part 393, is incorporated by reference, except that sections 393.1, 393.3, and 393.5 of that part are not incorporated. In addition, despite the first paragraph of Code of Federal Regulations, title 49, section 393.95, a lightweight vehicle must carry a fire extinguisher meeting the requirements in Code of Federal Regulations, title 49, section 393.95.*

*Subd. 8. [ACCIDENTS BY CARRIERS.] The definitions of "accident," "disabling damage," and "fatality" in Code of Federal Regulations, title 49, sections 390.5 and 390.15, are incorporated by reference.*

*Subd. 9. [HOURS OF SERVICE OF DRIVERS.] Code of Federal Regulations, title 49, part 395, is incorporated by reference, except that sections 395.3, paragraphs (d) to (f); 395.8, paragraphs (k)(2) and (l)(2); and*

395.13, of that part are not incorporated. In addition, the cross reference to paragraph (e) in Code of Federal Regulations, title 49, section 395.3, paragraph (a), is not incorporated by reference. The requirements of Code of Federal Regulations, title 49, sections 395.3, paragraphs (a) and (b); and 395.8, paragraphs (a) to (k), do not apply to lightweight vehicles.

*Subd. 10. [INSPECTION, REPAIR, AND MAINTENANCE.] Code of Federal Regulations, title 49, part 396, is incorporated by reference, except that sections 396.1, 396.9, and 396.17 to 396.25 of that part are not incorporated.*

*Subd. 11. [TRANSPORTING HAZARDOUS MATERIALS; DRIVING AND PARKING.] A person who transports hazardous materials shall comply with this section and rules adopted under section 221.031 when that person is transporting a hazardous material, hazardous waste, or hazardous substance that must be marked or placarded in accordance with Code of Federal Regulations, title 49, section 172.504, incorporated by reference in section 221.033. Code of Federal Regulations, title 49, part 397, is incorporated by reference, except that sections 397.1 to 397.3 of that part are not incorporated. A petroleum transport driver shall not park on a public street adjacent to a bridge, tunnel, dwelling, building, or place where persons work, congregate, or assemble, except when necessary to unload.*

Sec. 18. Minnesota Statutes 1992, section 221.033, subdivision 2, is amended to read:

Subd. 2. [EXEMPTION FOR FARMERS.] (a) This subdivision applies to persons engaged in intrastate commerce.

(b) Farmers or their employees transporting diesel fuel, gasoline, agricultural chemicals, or agricultural fertilizers for use on the transporter's farm are not required to comply with the rules adopted in section 221.0314, subdivisions 2 to 5, for driver ~~qualification rules of the commissioner~~ qualifications or with the shipping paper requirements of the Code of Federal Regulations, title 49, sections 172.200 and 177.817 or with section 397.7(B) or 397.9(A) of the Federal Motor Carrier Safety Regulations when:

(1) transporting diesel fuel or gasoline in motorized tank truck vehicles of less than 1,500-gallon capacity owned by the transporter, or in tanks securely mounted in other motor vehicles with a gross vehicle weight of less than 10,000 pounds and owned by the transporter; or

(2) transporting agricultural chemicals and agricultural fertilizers.

Sec. 19. Minnesota Statutes 1992, section 221.033, subdivision 2a, is amended to read:

Subd. 2a. [AGRICULTURALLY RELATED EXEMPTION.] (a) This subdivision applies to persons engaged in intrastate commerce.

(b) Fertilizer and agricultural chemical retailers or their employees are exempt from the rule of ~~the commissioner~~ in section 221.0314, subdivision 4, 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.

(c) A fertilizer or agricultural chemical retailer, or a driver employed by a fertilizer or agricultural chemical retailer, is exempt from the rule of the commissioner adopting in Code of Federal Regulations, title 49, section 395.3, paragraph (b), relating to hours of service of drivers, and section 395.8, requiring a driver's record of duty status, while exclusively engaged in the transportation of fertilizer or agricultural chemicals between April 1 and July 1 of each year when:

(1) the transportation is from the retailer's place of business directly to a farm within a 50-mile radius of the retailer's place of business;

(2) the fertilizer or agricultural chemicals are for use on the farm to which they are transported; and

(3) the employer maintains a daily record for each driver showing the time a driver reports for duty, the total number of hours a driver is on duty, and the time a driver is released from duty.

Sec. 20. Minnesota Statutes 1992, section 221.035, subdivision 2, is amended to read:

Subd. 2. [OPERATION REQUIREMENTS.] A vehicle operated under a license issued under this section must be operated in compliance with the rules of the commissioner adopted under this chapter governing in section 221.0314: (1) subdivisions 2 to 5 for driver qualifications; safe operation (2) subdivision 6 for driving of motor vehicles; equipment, (3) subdivision 7 for parts, and accessories necessary for safe operation; (4) subdivision 10 for inspection, repair, and maintenance; and (5) subdivision 9 for hours of service of drivers.

Sec. 21. Minnesota Statutes 1992, section 221.036, subdivision 1, is amended to read:

Subdivision 1. [ORDERS.] The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) section 221.041, subdivision 3; (3) section 221.081; (4) section 221.151; (5) section 221.171; (6) section 221.141; (7) section 221.035, a material term or condition of a license issued under that section; or a rule or order rules of the board or commissioner relating to the transportation of hazardous waste, motor carrier operations, insurance, or tariffs and accounting. An order must be issued as provided in this section.

Sec. 22. Minnesota Statutes 1992, section 221.036, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF PENALTY; CONSIDERATIONS.] (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of section 221.021; 221.041, subdivision 3; 221.081; 221.141; 221.151; or 221.171, or rules of the board or commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section 221.035, and rules adopted under that section, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;
- (3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;
- (4) the economic benefit gained by the person by allowing or committing the violation; and
- (5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

Sec. 23. Minnesota Statutes 1992, section 221.172, is amended to read:

221.172 [SHIPPING DOCUMENTS.]

Subdivision 1. [HAZARDOUS MATERIAL BILL OF LADING.] A person who transports a hazardous material by motor vehicle shall conform to the requirements of Code of Federal Regulations, title 49, with respect to shipping documents.

Subd. 2. [HAZARDOUS WASTE MANIFEST.] A person who transports a hazardous waste by motor vehicle shall carry in the vehicle a hazardous waste manifest which conforms to the requirements of Minnesota Rules, chapter 7045.

Subd. 3. [CLASS I, CLASS II, AND TEMPERATURE-CONTROLLED COMMODITIES CARRIERS; HOUSEHOLD GOODS MOVERS.] *A class I carrier, class II carrier, household goods mover, and a holder of a temperature-controlled commodities permit shall keep a record of each shipment transported under a certificate or permit. A record may consist of one or more documents, including a bill of lading, freight bill, manifest, delivery receipt, or other document. If it consists of more than one document, the documents constituting a shipment record must be available for inspection together. A record must show the:*

- (1) *names of the consignor and consignee;*
- (2) *date of shipment;*
- (3) *origin and destination points;*
- (4) *number of packages, if applicable to the rating of the freight or if the carrier's operating authority includes a package or article restriction, unless the shipment is transported by a household goods mover;*
- (5) *description of the freight;*
- (6) *weight, volume, or measurement of the freight, if applicable to the rating of the freight or if the carrier's operating authority includes a weight restriction;*
- (7) *exact rate or rates assessed;*
- (8) *total charges due, including the nature and amount of any charges for special service;*

(9) terminal through which the shipment moved, if any; and

(10) if the shipment is transported by a class I carrier, route of movement and name of each carrier participating in the transportation.

*Subd. 4. [TRUCKLOAD RECORD.]* In addition to the items listed in subdivision 3, if the transportation is provided under a class II-T permit or is a shipment of truckload freight, a record must include the word "truckload" or must prominently display the letters "II-T" and must show the name of the driver or drivers who transported the shipment, the pickup and delivery times, and the license plate number or unit number of the power unit and trailer used to transport the shipment.

*Subd. 5. [TEMPERATURE-CONTROLLED COMMODITIES CARRIER.]* In addition to the items listed in subdivision 3, if the transportation is provided under a temperature-controlled commodities permit, a record must include the words "temperature-controlled commodities" or must prominently display the letters "TCC" and must give a brief statement of the reasons for protecting the commodity from heat or cold.

*Subd. 6. [COURIER SERVICES CARRIER.]* (a) A courier services carrier shall keep a record of each shipment transported. A record may consist of one or more documents, including a bill of lading, freight bill, manifest, delivery receipt, or other document. If it consists of more than one document, the documents constituting a shipment record must be available for inspection together. A record must show the:

- (1) names of the consignor and consignee;
- (2) date of shipment;
- (3) origin and destination points;
- (4) number of packages;
- (5) weight, volume, or measurement of the freight, if applicable to the rating of the freight;
- (6) exact rate or rates assessed; and
- (7) total charges due, including the nature and amount of any charges for special service.

(b) In addition to the items listed in paragraph (a), if the transportation is expedited delivery, a record also must show the:

- (1) license plate number or unit number of the vehicle used to transport the shipment;
- (2) time of the shipper's initial request for service; and
- (3) pickup and delivery times.

(c) In addition to the items listed in paragraph (a), if the transportation is overnight small package delivery, a record also must show the:

- (1) license plate number or unit number of the vehicle used to transport the shipment at the point of delivery; and
- (2) weight of each package or article of a shipment.

*Subd. 7. [CONTRACT CARRIER.] A contract carrier shall keep a record of each shipment transported. A record may consist of one or more documents, including a bill of lading, freight bill, manifest, delivery receipt, or other document. If it consists of more than one document, the documents constituting a shipment record must be available for inspection together. A record must show the:*

- (1) names of the consignor and consignee;*
- (2) date of shipment;*
- (3) origin and destination points;*
- (4) description of freight;*
- (5) weight, volume, or measurement of the freight, if applicable to the rating of the freight or if the contract carrier's operating authority includes a weight restriction;*
- (6) exact rate or rates assessed; and*
- (7) total charges due, including the nature and amount of any charges for special service.*

*Subd. 8. [LOCAL CARTAGE CARRIER.] A local cartage carrier shall keep a record of each shipment transported. A record may consist of one or more documents, including a bill of lading, freight bill, manifest, delivery receipt, or other document. If it consists of more than one document, the documents constituting a shipment record must be available for inspection together. A record must show the:*

- (1) date of shipment;*
- (2) origin and destination points; and*
- (3) terminal through which the shipment moved, if any.*

*Subd. 9. [CHARTER TRANSPORTATION.] A charter carrier and a regular route common carrier with incidental charter operating authority shall keep a record of each charter it provides under a charter carrier permit or a certificate. A charter record may consist of one or more documents. If it consists of more than one document, the documents constituting a charter record must be available for inspection together. A charter record must show the:*

- (1) name of the carrier;*
- (2) names of the payor and organization, if any, for which the transportation is performed;*
- (3) date or dates the transportation was performed;*
- (4) origin, destination, and general routing of the trip;*
- (5) identification and seating capacity of each vehicle requested or used;*
- (6) number of persons transported;*
- (7) mileage upon which charges are based, including any deadhead mileage, separately noted;*
- (8) applicable rates per mile, hour, day, or other unit;*



(9) itemized charges for the transportation, including special services and fees; and

(10) total charges assessed and collected.

A charter carrier must use the same method of computing its rates in billing for charter services as that shown in its tariff on file with the commissioner.

*Subd. 10. [RETAINED THREE YEARS.]* A shipping document or record described in subdivision subdivisions 2 to 9, or a copy of it, must be retained by the carrier for at least three years from the date on the shipping document or record. A carrier may keep a shipping record described in subdivisions 3 to 9 by any technology that prevents the alteration, modification, or erasure of the underlying data and will enable production of an accurate and unaltered paper copy. A carrier shall keep a shipping record in a manner that will make it readily accessible and shall have a means of identifying and producing a legible paper copy for inspection by the commissioner upon request.

**Sec. 24. [221.602] [INTERSTATE CARRIER REGISTRATION.]**

*Subdivision 1. [PROCEDURE; NONEXEMPT CARRIERS.]* A motor carrier subject to the jurisdiction of the Interstate Commerce Commission under United States Code, title 49, chapter 105, subchapter II, with its principal place of business in Minnesota or that designates Minnesota as its base state, may transport persons or property for hire in Minnesota only if first complies with the insurance and registration regulations adopted by the Interstate Commerce Commission under United States Code, title 49, section 11506. The registration fee is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 221.65. A motor carrier shall pay a service charge of 45 cents for each registration receipt issued in addition to the fee required by this subdivision.

*Subd. 2. [PROCEDURE; EXEMPT CARRIERS.]* (a) A motor carrier that is exempt from the jurisdiction of the Interstate Commerce Commission under the Interstate Commerce Act, United States Code, title 49, may transport persons or property for hire in interstate commerce in Minnesota only if it first:

(1) complies with section 221.141;

(2) registers and describes the transportation it performs under an exemption contained in the Interstate Commerce Act, United States Code, title 49; and

(3) pays the fee required in subdivision 1.

(b) A motor carrier that complies with subdivision 1 is not also required to comply with this subdivision.

*Subd. 3. [REGISTRATION PERIOD.]* The registration period is that provided by the Interstate Commerce Commission in rules adopted under United States Code, title 49, section 11506.

*Subd. 4. [RECEIPT.]* On compliance with subdivision 1 or 2, the commissioner shall issue a receipt showing that the motor carrier has complied with the regulations applicable to it. Proof of registration must be kept in each of the carrier's vehicles.

Sec. 25. Minnesota Statutes 1992, section 221.81, subdivision 3e, is amended to read:

Subd. 3e. [SAFETY RULES.] (a) A building mover must comply with the rules of the commissioner adopted in section 221.0314: (1) subdivision 6 for safe operation driving of motor vehicles; ~~equipment~~; (2) subdivision 7 for parts, and accessories necessary for the safe operation, except as provided in paragraph (b); (3) subdivision 10 for inspection, repair, and maintenance; (4) subdivision 8 for accident reporting; and, (5) on and after August 1, 1994, subdivisions 2 to 5 for driver qualifications.

(b) A towed vehicle, other than a full trailer, pole trailer, or semitrailer, as those terms are defined in Code of Federal Regulations, title 49, section 390.5, used by a building mover to move a building on a highway is not required to comply with rules of the commissioner for equipment, parts, and accessories necessary for safe operation.

Sec. 26. [REPEALER.]

*Laws 1992, chapters 568, section 1; and 578, section 15, are repealed.*

Sec. 27. [EFFECTIVE DATE.]

*Sections 4 to 14, 17 to 22, and 24 to 26, are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to transportation; adopting federal motor carrier safety regulations; allowing small motor carriers to file abbreviated annual reports; providing for registration of interstate motor carriers; defining terms; allowing 45-foot buses to be operated in the state; exempting drivers of lightweight vehicles from driver qualification rules; requiring information on shipping documents and other motor carrier records; making technical changes; imposing penalties; amending Minnesota Statutes 1992, sections 168.011, subdivision 36; 168.1281, subdivision 3; 169.81, subdivision 2; 221.011, by adding subdivisions; 221.031, subdivisions 1, 2, 2a, 2b, 3, 3a, 3b, 3c, 5, and 6; 221.0313, subdivision 1; 221.033, subdivisions 2 and 2a; 221.035, subdivision 2; 221.036, subdivisions 1 and 3; 221.172; 221.81, subdivision 3e; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Laws 1992, chapters 568, section 1; and 578, section 15."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 1251: 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; fixing and limiting accounts and fees; amending Minnesota Statutes 1992, sections .....

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures “1993,” “1994,” and “1995,” where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1993	1994	1995	TOTAL
General		\$ 6,196,000	\$ 6,096,000	\$ 12,292,000
Airports	\$385,000	15,684,000	15,681,000	31,750,000
Transit Assistance		65,700,000	67,100,000	132,800,000
C.S.A.H.		282,090,000	286,990,000	569,080,000
Environmental		200,000	200,000	400,000
Highway User		11,551,000	11,458,000	23,009,000
M.S.A.S.		82,190,000	83,390,000	165,580,000
Special Revenue		792,000	792,000	1,584,000
Trunk Highway		819,154,000	833,053,000	1,652,207,000
Transfers to Other				
Direct		(2,398,000)	(2,346,000)	(4,744,000)
TOTAL	\$385,000	1,281,159,000	1,302,414,000	2,583,958,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994                      1995

Sec. 2. TRANSPORTATION

Subdivision 1. Total Appropriation

385,000      1,151,146,000      1,172,345,000

The appropriations in this section are from the trunk highway fund, except when another fund is named.

Summary by Fund

General	394,000	394,000
Airports	\$385,000      15,684,000	15,681,000
Transit Assistance	16,100,000	16,440,000
C.S.A.H.	282,090,000	286,990,000
Environmental	200,000	200,000
M.S.A.S.	82,190,000	83,390,000
Trunk Highway	754,488,000	769,250,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Aeronautics    15,492,000                      15,487,000

This appropriation is from the state airports fund.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Airport Development and Assistance

1993	1994	1995
385,000	11,005,000	10,841,000

\$1,887,000 the first year and \$2,146,000 the second year are for navigational aids.

\$6,810,000 the first year and \$6,387,000 the second year are for airport construction grants.

\$2,100,000 the first year and \$2,100,000 the second year are for airport maintenance grants.

If the appropriation for either year for navigational aids, airport construction grants, or airport maintenance grants is insufficient, the appropriation for the other year is available for it. The appropriations for construction grants and maintenance grants must be expended only for grant-in-aid programs for airports that are not state owned.

These appropriations must be expended in accordance with Minnesota Statutes, section 360.305, subdivision 4.

The commissioner of transportation may transfer unencumbered balances among the appropriations for airport development and assistance with the approval of the governor after consultation with the legislative advisory commission.

\$8,000 the first year and \$8,000 the second year are for maintenance of the Pine Creek Airport.

\$200,000 the first year and \$200,000 the second year are for air service grants.

(b) Civil Air Patrol

65,000	65,000
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(c) Aeronautics Administration

4,422,000	4,581,000
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\$15,000 the first year and \$15,000 the second year are for the advisory council on metropolitan airport planning. The commissioner of transportation shall transfer these funds to the legislative coordinating commission by July 15 of each year.

(d) 1993 Deficiency Appropriation

\$385,000 is appropriated from the state airports fund, to be used in conjunction with funds provided by the Canadian government for airport construction at the Piney-Pine Creek Border Airport, and is available until the project is either completed or abandoned.

Subd. 3. Transit	16,398,000	16,740,000
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Summary by Fund

Transit Assistance	16,100,000	16,440,000
Trunk Highway	298,000	300,000

Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Greater Minnesota Transit Assistance

15,640,000	15,985,000
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This appropriation is from the transit assistance fund.

(b) Transit Administration

758,000	755,000
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Summary by Fund

Transit Assistance	460,000	455,000
Trunk Highway	298,000	300,000

Subd. 4. Railroads and Waterways

1,134,000	1,134,000
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Summary by Fund

General	241,000	241,000
Trunk Highway	893,000	893,000

## Subd. 5. Motor Carrier Regulation

2,177,000      2,177,000

## Summary by Fund

General	107,000	107,000
Trunk Highway	2,070,000	2,070,000

## Subd. 6. Local Roads

365,350,000      371,450,000

## Summary by Fund

C.S.A.H.	282,090,000	286,990,000
M.S.A.S.	82,190,000	83,390,000
Trunk Highway	1,070,000	1,070,000

The amounts that may be spent from this appropriation for each activity are as follows:

## (a) County State Aids

282,090,000      286,990,000

This appropriation is from the county state-aid highway fund and is available until spent.

## (b) Municipal State Aids

82,190,000      83,390,000

This appropriation is from the municipal state-aid street fund and is available until spent.

If an appropriation for either county state aids or municipal state aids does not exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on ways and means of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

## (c) State Aid Technical Assistance

1,070,000      1,070,000

## Subd. 7. State Road Construction

420,261,000      429,235,000

## Summary by Fund

Environmental	200,000	200,000
Trunk Highway	420,061,000	429,035,000

The amounts that may be spent from this appropriation for each activity are as follows:

## (a) State Road Construction

397,595,000	403,763,000
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## Summary by Fund

Environmental	200,000	200,000
Trunk Highway	397,395,000	403,563,000

It is estimated that the appropriation from the trunk highway fund will be funded as follows:

## Federal Highway Aid

185,000,000	185,000,000
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## Highway User Taxes

212,395,000	218,563,000
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The commissioner of transportation shall notify the chair of the committee on finance of the senate and chair of the committee on ways and means of the house of representatives promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to landowners for lands acquired for highway right-of-way, payment to lessees, interest subsidies, and relocation expenses.

## (b) Highway Debt Service

14,380,000	17,186,000
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\$14,380,000 the first year and \$12,486,000 the second year are for transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on ways and means of the house of

representatives of the amount of the deficiency and shall then transfer that amount under the statutory open appropriation.

Any excess appropriation must be canceled to the trunk highway fund.

(c) Highway Program Administration

2,042,000      2,042,000

\$243,000 the first year and \$243,000 the second year are available for grants to regional development commissions outside the seven-county metropolitan area for transportation studies to identify critical concerns, problems, and issues.

\$180,000 the first year and \$180,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

(d) Transportation Data Analysis

3,279,000      3,279,000

(e) Research and Strategic Initiatives

2,965,000      2,965,000

\$75,000 the first year and \$75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 8. Highway Program Delivery      121,923,000      123,368,000

(a) Design Engineering

53,293,000      54,038,000

(b) Construction Engineering

68,630,000      69,330,000

Subd. 9. State Road Operations      167,554,000      171,941,000

(a) State Road Operations

157,994,000      162,381,000

(b) Electronic Communications

3,339,000      3,339,000

(c) Traffic Engineering

6,221,000      6,221,000



Subd. 10. Equipment	15,493,000	15,493,000
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Summary by Fund

General	5,000	5,000
Airports	59,000	59,000
Trunk Highway	15,429,000	15,429,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 11. General Administration	25,364,000	25,320,000
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Summary by Fund

General	41,000	41,000
Airports	133,000	135,000
Trunk Highway	25,190,000	25,144,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) General Management

15,022,000	15,022,000
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(b) General Services

8,718,000	8,672,000
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Summary by Fund

General	41,000	41,000
Airports	75,000	75,000
Trunk Highway	8,602,000	8,556,000

\$2,045,000 the first year and \$2,045,000 the second year are for data processing development. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The commissioner of transportation shall manage the department of transportation in such a manner as to provide seasonal employees of the department with the maximum feasible amount of employment security consistent with the efficient delivery of department programs.

(c) Legal Services

1,566,000	1,566,000
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This appropriation is for the purchase of legal services from or through the attorney general.

## (d) Air Transportation Services

58,000      60,000

This appropriation is from the state airports fund.

## Subd. 12. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriation for trunk highway development. No transfer may be made from the appropriations for debt service to any other appropriation. Transfers may not be made between funds. Transfers must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives.

## Subd. 13. Contingent Appropriation

The commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund, or to trunk highway maintenance in order to meet an emergency, or to pay tort or environmental claims. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 3. REGIONAL TRANSIT BOARD                      49,600,000      50,660,000

Of this amount, \$20,850,000 the first year and \$22,850,000 the second year are for the metropolitan transit commission. The regional transit board must not reduce this appropriation to the metropolitan transit commission.

\$13,800,000 the first year and \$15,500,000 the second year are for Metro Mobility. The regional transit board must not spend any money for metro mobility outside this appropriation.

The appropriations in this section are from the transit assistance fund.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 4. TRANSPORTATION  
REGULATION BOARD

705,000                      707,000

This appropriation is from the trunk highway fund.

Sec. 5. PUBLIC SAFETY

Subdivision 1. Total Appropriation                      78,716,000                      77,710,000

Summary by Fund

General	5,802,000	5,702,000
Highway User	11,426,000	11,333,000
Special Revenue	792,000	792,000
Trunk Highway	63,094,000	62,229,000
Transfers to Other		
Direct	(2,398,000)	(2,346,000)

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Administration and Related Services

4,640,000                      4,473,000

Summary by Fund

General	552,000	522,000
Highway User	19,000	19,000
Trunk Highway	4,069,000	3,932,000

\$326,000 the first year and \$326,000 the second year are for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. State Patrol

43,437,000                      42,220,000

Summary by Fund

General	389,000	389,000
Highway User	90,000	90,000
Trunk Highway	42,958,000	41,741,000

During the biennium ending June 30, 1995, no more than five positions, excluding the chief patrol officer, in the state patrol support activity may be filled by state troopers.

During the biennium ending June 30, 1995, the commissioner may purchase other motor fuel when gasohol is not available for the operation of state patrol vehicles.

#### Subd. 4. Driver and Vehicle Services

29,680,000      30,058,000

##### Summary by Fund

General	3,567,000	3,534,000
Highway User	10,152,000	10,074,000
Trunk Highway	15,905,000	16,394,000
Special Revenue	56,000	56,000

This appropriation is from the bicycle transportation account in the special revenue fund.

\$43,000 the first year and \$43,000 the second year are transferred to the commissioner of human services for reimbursement for chemical use assessments of juveniles under Minnesota Statutes, section 260.151.

#### Subd. 5. Traffic Safety

223,000      223,000

##### Summary by Fund

General	61,000	61,000
Trunk Highway	162,000	162,000

#### Subd. 6. Pipeline Safety

736,000      736,000

This appropriation is from the pipeline safety account in the special revenue fund.

#### Subd. 7. Transfers

The commissioner of public safety with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular

purpose among the programs within a fund. Transfers must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives.

Subd. 8. Reimbursements

(a) \$1,233,000 the first year and \$1,196,000 the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1994, and January 1, 1995, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

(b) \$449,000 the first year and \$434,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1994, and January 1, 1995, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user fund purposes in the administration and related services program.

(c) \$716,000 the first year and \$716,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the general fund on January 1, 1994, and January 1, 1995, respectively, in order to reimburse the general fund for expenses not related to the fund. These represent amounts appropriated out of the general fund for operation of the criminal justice data network related to driver and motor vehicle licensing.

Sec. 6. MINNESOTA SAFETY COUNCIL	67,000	67,000
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This appropriation is from the trunk highway fund.

Sec. 7. GENERAL CONTINGENT ACCOUNTS	325,000	325,000
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The appropriations in this section may only be spent with the approval of the governor after consultation with the leg-

islative advisory commission pursuant to Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

Trunk Highway Fund

200,000      200,000

Highway User Tax Distribution Fund

125,000      125,000

Sec. 8. TORT CLAIMS      600,000      600,000

To be spent by the commissioner of finance.

This appropriation is from the trunk highway fund.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 9. Minnesota Statutes 1992, section 11A.21, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATION OF HIGHWAY FUNDS.] The commissioner of transportation shall certify to the state board those portions of the highway user tax distribution fund established pursuant to article XIV, section 5 of the Constitution of the state of Minnesota; the trunk highway fund established pursuant to article XIV, section 6 of the Constitution of the state of Minnesota; the county state-aid highway fund established pursuant to article XIV, section 7 of the Constitution of the state of Minnesota; and the municipal state-aid street fund established pursuant to article XIV, section 8 of the Constitution of the state of Minnesota, which in the judgment of the commissioner are not required for immediate use.

Sec. 10. Minnesota Statutes 1992, section 161.081, is amended to read:

161.081 [HIGHWAY USER TAX, DISTRIBUTION OF PORTION OF PROCEEDS, INVESTMENT.]

Subdivision 1. [DISTRIBUTION OF FIVE PERCENT.] Pursuant to article 14, section 5, of the constitution, five percent of the net highway user tax distribution fund is set aside, and apportioned as follows:

- (1) 28 percent to the trunk highway fund;
- (2) 64 percent to a separate account in the county state-aid highway fund to be known as the county turnback account, which account in the state treasury is hereby created;
- (3) 8 percent to a separate account in the municipal state-aid street fund to be known as the municipal turnback account, which account in the state treasury is hereby created.

*Subd. 2. [INVESTMENT.] Upon the request of the commissioner, money in the highway user tax distribution fund shall be invested by the state board of investment in those securities authorized for that purpose in section 11A.21. All interest and profits from the investments must be credited to the highway user tax distribution fund. The state treasurer shall be the custodian of all securities purchased under this section.*

**Sec. 11. [161.087] [HIGHWAY PURPOSES.]**

*Revenues in the trunk highway fund derived from the increase in the motor fuel excise, tax rate under sections 28 and 29 may be expended for trunk highway projects that include supplemental facilities to public transit such as high-occupancy vehicle lanes, park-and-ride facilities, and parking garages, that are designed to:*

*(1) maximize federal matching funds available under the federal Intermodal Surface Transportation Efficiency Act of 1991;*

*(2) contribute to attaining the congestion mitigation and ambient air quality standards of the federal Clean Air Act;*

*(3) relieve congestion and expedite travel;*

*(4) conserve energy; and*

*(5) reduce highway damage and other costs of highway use.*

*Such use is deemed to be for a trunk highway purpose.*

**Sec. 12. Minnesota Statutes 1992, section 161.39, is amended by adding a subdivision to read:**

*Subd. 5b. [REIMBURSEMENT FOR SERVICES.] The office of electronic communication in the department of transportation may perform work for other state agencies and, to the extent that these services are performed beyond the level for which money was appropriated, may deposit revenue generated from this source as dedicated receipts to the account from which it was spent.*

**Sec. 13. Minnesota Statutes 1992, section 162.02, subdivision 7, is amended to read:**

**Subd. 7. [ESTABLISHMENT IN NEW LOCATION OR OVER ESTABLISHED ROADS.]** The county board of any county may establish and locate any county state-aid highway on new location where there is no existing road, or it may establish and locate the highway upon or over any established road or street or a specified portion thereof within its limits; ~~provided, that.~~ *Except as provided in subdivision 8a, no county state-aid highway shall be established or located within the corporate limits of any city without the approval of the governing body of the city, except that when a county state-aid highway is relocated the approval of the plans by the governing body shall be deemed to be a transfer of the previous location of the highway to the jurisdiction of the city. The approval shall be in the manner and form required by the commissioner.*

**Sec. 14. Minnesota Statutes 1992, section 162.02, subdivision 8, is amended to read:**

**Subd. 8. [APPROVAL BY CITY.]** *Except as provided in subdivision 8a, no portion of the county state-aid highway system lying within the corporate*

limits of any city shall be constructed, reconstructed, or improved nor the grade thereof changed without the prior approval of the plans by the governing body of such city and the approval shall be in the manner and form required by the commissioner.

Sec. 15. Minnesota Statutes 1992, section 162.02, is amended by adding a subdivision to read:

*Subd. 8a. [DISPUTE RESOLUTION BOARD.] If a city has failed to approve establishment, construction, reconstruction, or improvement of a county state-aid highway within its corporate limits under subdivision 7 or 8, the county board may, by resolution, request the commissioner to appoint a dispute resolution board consisting of one county commissioner, one county engineer, one city council member or city mayor, one city engineer, and one representative of the department of transportation. The board shall review the proposed change and make a recommendation to the commissioner. Notwithstanding any other law, the commissioner may approve the establishment, construction, reconstruction, or improvement of a county state-aid highway recommended by the board.*

Sec. 16. Minnesota Statutes 1992, section 162.07, subdivision 1, is amended to read:

Subdivision 1. [FORMULA.] After deducting for administrative costs and for the disaster account and research account and state park roads as heretofore provided, the remainder of the total sum provided for in section 162.06, subdivision 1, shall be identified as the apportionment sum and shall be apportioned by the commissioner to the several counties on the basis of the needs of the counties as determined in accordance with the following formula:

(1) An amount equal to ~~ten~~ five percent of the apportionment sum shall be apportioned equally among the 87 counties.

(2) An amount equal to ~~ten~~ 20 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its motor vehicle registration for the calendar year preceding the one last past, determined by residence of registrants, bears to the total statewide motor vehicle registration.

(3) An amount equal to ~~30~~ 35 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its total ~~miles existing lane miles~~ of approved county state-aid highways bears to the total ~~miles existing lane miles~~ of approved statewide county state-aid highways.

(4) An amount equal to ~~50~~ 40 percent of the apportionment sum shall be apportioned among the several counties so that each county shall receive of such amount the percentage that its money needs bears to the sum of the money needs of all of the individual counties; provided, that the percentage of such amount that each county is to receive shall be adjusted so that each county shall receive in 1958 a total apportionment at least ten percent greater than its total 1956 apportionments from the state road and bridge fund; and provided further that those counties whose money needs are thus adjusted shall never receive a percentage of the apportionment sum less than the percentage that such county received in 1958 in 1994 and thereafter, no county shall receive more than its apportionment for the previous year plus



39.5 percent, and in 1994 and thereafter, no county shall receive less than its apportionment for 1993 plus three percent. The three percent may be decreased proportionately among the counties if the total apportionment sum is insufficient.

Sec. 17. Minnesota Statutes 1992, section 162.07, subdivision 5, is amended to read:

Subd. 5. [SCREENING BOARD.] On or before September 1 of each year the county engineer of each county shall forward to the commissioner, on forms prepared by the commissioner, all information relating to the mileage in lane miles of the county state-aid highway system in the county, and the money needs of the county that the commissioner deems necessary in order to apportion the county state-aid highway fund in accordance with the formula heretofore set forth. Upon receipt of the information the commissioner shall appoint a board consisting of ~~nine county engineers. The board shall be so selected that each one county engineer appointed shall be from a different from each of the seven state highway construction district districts outside the department's metropolitan division and five county engineers from the department's metropolitan division.~~ No county engineer shall be appointed so as to serve consecutively for more than ~~two~~ four years. The board shall investigate and review the information submitted by each county and shall on or before the first day of November of each year submit its findings and recommendations in writing as to each county's lane mileage and money needs to the commissioner on a form prepared by the commissioner. Final determination of the lane mileage of each system and the money needs of each county shall be made by the commissioner.

Sec. 18. Minnesota Statutes 1992, section 162.07, subdivision 6, is amended to read:

Subd. 6. [ESTIMATES TO BE MADE IF INFORMATION NOT PROVIDED.] In the event that any county shall fail to submit the information provided for herein, the commissioner shall estimate the lane mileage and the money needs of the county. The estimate shall be used in determining the apportionment formula. The commissioner may withhold payment of the amount apportioned to the county until the information is submitted.

Sec. 19. Minnesota Statutes 1992, section 169.121, subdivision 7, is amended to read:

Subd. 7. [LICENSE REVOCATION; COURT PROCEDURES.] On behalf of the commissioner of public safety a court shall serve notice of revocation on a person convicted of a violation of this section unless the commissioner has already revoked the person's driving privileges or served the person with a notice of revocation for a violation of section 169.123 arising out of the same incident. ~~The court shall take the license or permit of the driver, if any, or obtain a sworn affidavit stating that the license or permit cannot be produced, and send it to the commissioner with a record of the conviction and issue a temporary license effective only for the period during which an appeal from the conviction may be taken. No person who is without driving privileges at the time shall be issued a temporary license and any temporary license issued shall bear the same restrictions and limitations as the driver's license or permit for which it is exchanged.~~

The commissioner shall issue additional temporary licenses until the final determination of whether there shall be a revocation under this section.

*The court shall invalidate the driver's license or permit in such a way that no identifying information is destroyed.*

Sec. 20. Minnesota Statutes 1992, section 169.123, subdivision 5a, is amended to read:

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION OR DISQUALIFICATION.] On behalf of the commissioner of public safety a peace officer requiring a test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit a test or on a person who submits to a test the results of which indicate an alcohol concentration of 0.10 or more. On behalf of the commissioner of public safety, a peace officer requiring a test or directing the administration of a chemical test of a person driving, operating, or in physical control of a commercial motor vehicle shall serve immediate notice of intention to disqualify and of disqualification on a person who refuses to permit a test, or on a person who submits to a test the results of which indicate an alcohol concentration of 0.04 or more. The officer shall either:

(1) take the driver's license or permit of the driver, if any, and issue a temporary license effective only for seven days. The peace officer shall send the person's driver's license it to the commissioner of public safety along with the certificate required by subdivision 4, and issue a temporary license effective only for seven days; or

(2) invalidate the driver's license or permit in such a way that no identifying information is destroyed.

Sec. 21. Minnesota Statutes 1992, section 171.02, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person, except those hereinafter expressly exempted, shall drive any motor vehicle upon any street or highway in this state unless such person has a license valid under the provisions of this chapter for the type or class of vehicle being driven. No person shall receive a driver's license unless and until the person surrenders to the department all valid driver's licenses in possession issued to the person by any other jurisdiction. All surrendered licenses shall be returned person's license from any jurisdiction has been invalidated by the department. The department shall provide to the issuing department together with of any jurisdiction, information that the licensee is now licensed in new jurisdiction Minnesota. No person shall be permitted to have more than one valid driver's license at any time. No person to whom a current Minnesota identification card has been issued may receive a driver's license, other than an instruction permit or a limited license, unless the person surrenders to the department any person's Minnesota identification card issued to the person under section 171.07, subdivision 3 has been invalidated by the department.

Sec. 22. Minnesota Statutes 1992, section 171.06, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) The fees for a license and Minnesota identification card are as follows:

Classified Driver License	C-\$15	CC-\$19	B-\$26	A-\$34
	C-\$16	CC-\$20	B-\$27	A-\$35
Classified Under 21 D.L.	C-\$15	CC-\$19	B-\$26	A-\$14
	C-\$16	CC-\$20	B-\$27	A-\$15
Instruction Permit				\$6
Duplicate Driver or Under 21 License				\$4.50
				\$5.50
Minnesota identification card, except as otherwise provided in section 171.07, subdivisions 3 and 3a				\$9 10

Sec. 23. Minnesota Statutes 1992, section 171.11, is amended to read:

171.11 [CHANGE OF DOMICILE OR NAME.]

When any person, after applying for or receiving a driver's license, shall change permanent domicile from the address named in such application or in the license issued to the person, or shall change a name by marriage or otherwise, such person shall, within 30 days thereafter, ~~make application apply~~ for a duplicate driver's license upon a form furnished by the department; ~~such and pay the required fee.~~ The application or duplicate license shall show both the licensee's old address and new address or the former name and new name as the case may be. ~~Such application for a duplicate license, upon change of address or change of name, shall be accompanied by all certificates of driver's license then in the possession of the applicant together with the required fee.~~

Sec. 24. Minnesota Statutes 1992, section 171.22, subdivision 1, is amended to read:

Subdivision 1. [VIOLATIONS.] With regard to any driver's license, including a commercial driver's license, it shall be unlawful for any person:

- (1) to display, cause or permit to be displayed, or have in possession, any:
  - (i) canceled, revoked, or suspended driver's license;
  - (ii) driver's license for which the person has been disqualified; or
  - (iii) fictitious or fraudulently altered driver's license or Minnesota identification card;
- (2) to lend the person's driver's license or Minnesota identification card to any other person or knowingly permit the use thereof by another;
- (3) to display or represent as one's own any driver's license or Minnesota identification card not issued to that person;
- (4) ~~to fail or refuse to surrender to the department, upon its lawful demand, any driver's license or Minnesota identification card which has been suspended, revoked, canceled, or for which the holder has been disqualified;~~
- (5) to use a fictitious name or date of birth to any police officer or in any application for a driver's license or Minnesota identification card, or to knowingly make a false statement, or to knowingly conceal a material fact, or otherwise commit a fraud in any such application;
- (6) (5) to alter any driver's license or Minnesota identification card;

(7) (6) to take any part of the driver's license examination for another or to permit another to take the examination for that person;

(8) (7) to make a counterfeit driver's license or Minnesota identification card; or

(9) (8) to use the name and date of birth of another person to any police officer for the purpose of falsely identifying oneself to the police officer.

Sec. 25. Minnesota Statutes 1992, section 174.02, is amended by adding a subdivision to read:

*Subd. 6. [AGREEMENTS.] To facilitate the implementation of intergovernmental efficiencies, effectiveness, and cooperation, and to promote and encourage economic and technological development in transportation matters within and between governmental and nongovernmental entities:*

*(a) The commissioner may enter into agreements with other governmental or nongovernmental entities for research and experimentation; for sharing facilities, equipment, staff, data, or other means of providing transportation-related services; or for other cooperative programs that promote efficiencies in providing governmental services or that further development of innovation in transportation for the benefit of the citizens of Minnesota.*

*(b) In addition to funds otherwise appropriated by the legislature, the commissioner may accept and spend funds received under any agreement authorized in paragraph (a) for the purposes set forth in that paragraph, subject to a report of receipts to the commissioner of finance at the end of each fiscal year and, if receipts from the agreements exceed \$100,000 in a fiscal year, the commissioner shall also notify the governor and the committee on finance of the senate and the committee on ways and means of the house of representatives.*

*(c) Funds received under this subdivision must be deposited in the special revenue fund and are appropriated to the commissioner for the purposes set forth in this subdivision.*

Sec. 26. Minnesota Statutes 1992, section 174.32, subdivision 2, is amended to read:

**Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.]** (a) The transit assistance fund receives money distributed under section 297B.09. ~~Eighty percent of from the Minnesota mobility trust fund.~~ *As appropriated from time to time by law, the receipts of the fund must be placed into a metropolitan account for distribution to recipients located in the metropolitan area and 20 percent into a separate account for distribution to recipients located outside of the metropolitan area. Except as otherwise provided in this subdivision, the regional transit board created by section 473.373 is responsible for distributing assistance from the metropolitan account, and the commissioner is responsible for distributing assistance from the other account. Money placed in the metropolitan account is available for distribution to regional railroad authorities established under chapter 398A in the metropolitan area, by the commissioner of transportation as provided in paragraph (b).*

*(b) The commissioner shall request applications from all eligible regional railroad authorities. The commissioner shall establish a reasonable deadline for submittal of applications. The commissioner may not distribute more than*

60 percent of the available funds to a single recipient. Before distributing money to any regional railroad authority, the commissioner shall submit the applications to the regional transit board for approval. The commissioner may distribute funds only with the approval of the board. Before approving any application for funds for construction, the board shall report to the legislature on the use and planned distribution of construction funds.

Sec. 27. Minnesota Statutes 1992, section 296.02, subdivision 1a, is amended to read:

Subd. 1a. [~~EXCEPTIONS FOR TRANSIT AND ALTERNATIVE FUELS SYSTEMS EXEMPT.~~] The provisions of subdivision 1 do not apply to (1) gasoline purchased by a transit system receiving financial assistance under section 174.24 or 473.384; or (2) sales of compressed natural gas or propane for use in vehicles displaying a valid annual alternate fuel permit.

Sec. 28. Minnesota Statutes 1992, section 296.02, subdivision 1b, is amended to read:

Subd. 1b. [RATES IMPOSED.] The gasoline excise tax is imposed at the following rate:

For the period ~~on and after May June 1, 1988~~ 1993, to September 30, 1994, gasoline is taxed at the rate of ~~20~~ 25 cents per gallon. After September 30, 1994, gasoline is taxed at a rate determined annually under subdivision 1c.

Sec. 29. Minnesota Statutes 1992, section 296.02, is amended by adding a subdivision to read:

Subd. 1c. [ANNUAL GASOLINE TAX RATE ADJUSTMENT.] Beginning in 1994 and annually thereafter, before October 1 of each year the commissioner of revenue shall adjust the rate of the gasoline excise tax. The new rate per gallon must be calculated as follows:

(a) If the percentage of motor vehicle excise tax proceeds specified to be transferred to the transit assistance fund in section 297B.09, subdivision 1, is reduced or the transfer of motor vehicle excise tax proceeds to the transit assistance fund is eliminated, the increase in the gasoline excise tax rate effective June 1, 1993, must be adjusted by a corresponding percentage reduction or eliminated.

(b) After making any adjustment under paragraph (a), the new rate shall be calculated by multiplying the rate in effect at the time of the calculation by an amount obtained by multiplying the amount under paragraph (c) by the amount under paragraph (d). The new rate must be rounded to the nearest 0.1 cent and is effective on October 1 of each year.

(c) Divide the annual average United States Consumer Price Index for all urban consumers, United States city average, as determined by the United States Department of Labor for the previous year by that annual average for the year before the previous year.

(d) Divide the number of gallons of gasoline and special fuel sold in the state, as estimated by the commissioner, during the year two-years before the year in which the calculation is made, minus any shrinkage allowed, by the number of gallons of gasoline and special fuel sold in the state, as estimated by the commissioner, during the year immediately prior to the year during which the calculation is made, minus any shrinkage allowed.

Sec. 30. Minnesota Statutes 1992, section 296.025, subdivision 1a, is amended to read:

Subd. 1a. [EXCEPTIONS FOR TRANSIT AND ALTERNATIVE FUELS SYSTEMS EXEMPT.] The provisions of subdivision 1 do not apply to (1) special fuel purchased by a transit system receiving financial assistance under section 174.24 or 473.384, or (2) sales of compressed natural gas or propane for use in vehicles displaying a valid annual alternate fuel permit.

Sec. 31. Minnesota Statutes 1992, section 297B.02, subdivision 1, is amended to read:

Subdivision 1. [RATE.] There is imposed an excise tax at the rate provided in chapter 297A of seven percent on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

The excise tax is also imposed on the purchase price of motor vehicles purchased or acquired on Indian reservations when the tribal council has entered into a motor vehicle excise tax refund agreement with the state of Minnesota.

Sec. 32. Minnesota Statutes 1992, section 297B.09, subdivision 1, is amended to read:

Subdivision 1. [GENERAL FUND SHARE.] (a) Money collected and received under this chapter must be deposited in the state treasury and credited to the general fund. The amounts collected and received shall be credited as provided in this subdivision, and transferred from the general fund on July 15 and February 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if the commissioner determines it is necessary or desirable to provide for the cash flow needs of the recipients of money from the transit assistance fund.

(b) ~~Twenty-five~~ *Twenty-seven* percent of the money collected and received under this chapter after June 30, 1990, and before July 1, 1991, must be transferred to the ~~highway user tax distribution fund and the transit assistance fund for apportionment as follows: 75 percent must be transferred to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund, and the remaining 25 percent of the money must be transferred to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state and to the regional transit board.~~

(c) The distributions under this subdivision to the highway user tax distribution fund until June 30, 1991, and to the trunk highway fund thereafter, must be reduced by the amount necessary to fund the appropriation under section 41A.09, subdivision 1. For the fiscal years ending June 30, 1988, and June 30, 1989, the commissioner of finance, before making the transfers required on July 15 and January 15 of each year, shall estimate the amount required to fund the appropriation under section 41A.09, subdivision 1, for the six-month period for which the transfer is being made. The commissioner shall then reduce the amount transferred to the highway user tax distribution fund by the amount of that estimate. The commissioner shall

reduce the estimate for any six-month period by the amount by which the estimate for the previous six-month period exceeded the amount needed to fund the appropriation under section 41A.09, subdivision 1, for that previous six-month period. If at any time during a six-month period in those fiscal years the amount of reduction in the transfer to the highway user tax distribution fund is insufficient to fund the appropriation under section 41A.09, subdivision 1 for that period, the commissioner shall transfer to the general fund from the highway user tax distribution fund an additional amount sufficient to fund the appropriation for that period, but the additional amount so transferred to the general fund in a six-month period may not exceed the amount transferred to the highway user tax distribution fund for that six-month period.

Sec. 33. [REPEALER.]

*Minnesota Statutes 1992, sections 171.20, subdivision 1; 296.01, subdivision 4; and 296.026 are repealed.*

Sec. 34. EFFECTIVE DATE.]

*Sections 13 to 18 are effective for county state-aid fund apportionment payments in 1994 and thereafter. Section 28 is effective June 1, 1993.*

*Section 22 is effective January 1, 1994."*

Delete the title and insert:

"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; fixing and limiting accounts and fees; defining highway purpose; changing the county state-aid fund apportionment formula and the composition of the screening board; increasing motor fuel tax rate and requiring annual rate adjustment; increasing motor vehicle excise tax rate and transferring proceeds to transit assistance fund; amending Minnesota Statutes 1992, sections 11A.21, subdivision 1; 161.081; 161.39, by adding a subdivision; 162.02, subdivisions 7, 8, and by adding a subdivision; 162.07, subdivisions 1, 5, and 6; 169.121, subdivision 7; 169.123, subdivision 5a; 171.02, subdivision 1; 171.06, subdivision 2; 171.11; 171.22, subdivision 1; 174.02, by adding a subdivision; 174.32, subdivision 2; 296.02, subdivisions 1a, 1b, and by adding a subdivision; 296.025, subdivision 1a; 297B.02, subdivision 1; and 297B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 171.20, subdivision 1; 296.01, subdivision 4; and 296.026."

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 Transportation and Public Transit, to which was referred

S.F. No. 561: A bill for an act relating to traffic regulations; directing commissioner of public safety to issue temporary permit immediately to applicant for special disabled license plates or parking certificate; providing penalty for unauthorized use of temporary permit; amending Minnesota Statutes 1992, sections 168.021, subdivisions 1, 1a, and 3; 169.345, subdivisions 3 and 4; and 169.346, subdivisions 1, 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. Minnesota Statutes 1992, section 168.021, subdivision 1, is amended to read:

Subdivision 1. [SPECIAL PLATES; APPLICATION.] (a) When a motor vehicle registered under section 168.017, a motorcycle, or a self-propelled recreational vehicle is owned or primarily operated by a permanently physically disabled person or a custodial parent or guardian of a permanently physically disabled minor, the owner may apply for and secure from the registrar of motor vehicles *(1) immediately, a temporary permit valid for 30 days, if the applicant is eligible for the special plates issued under this paragraph, and (2) 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 disability provided for in that section.

(b) The owner of a motor vehicle may apply for and secure *(i) immediately, a temporary permit valid for 30 days, if the person is eligible to receive the special plates issued under this paragraph, and (ii) a set of special plates for a motor vehicle if:*

(1) the owner employs a permanently physically disabled person who would qualify for special plates under this section; and

(2) the owner furnishes the motor vehicle to the physically disabled person for the exclusive use of that person in the course of employment.

Sec. 2. Minnesota Statutes 1992, section 168.021, subdivision 1a, is amended to read:

Subd. 1a. [SCOPE OF PRIVILEGE.] If a physically disabled person parks a vehicle displaying license plates described in this section, *or a temporary permit valid for 30 days and issued to an eligible person awaiting receipt of the license plates described in this section, or any person parks the vehicle for a physically disabled person, that person shall be entitled to park the vehicle as provided in section 169.345.*

Sec. 3. Minnesota Statutes 1992, section 168.021, subdivision 3, is amended to read:

Subd. 3. [PENALTIES FOR UNAUTHORIZED USE OF PLATES.] (a) A person who uses the plates *or temporary permit* 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 disabled from operating a vehicle bearing the plates *or temporary permit* if:

(1) the person is the owner of the vehicle and permits its operation by a physically disabled person;

(2) the person operates the vehicle with the consent of the owner who is physically disabled; or

(3) the person is the owner of the vehicle, is the custodial parent or guardian of a permanently physically disabled minor, and operates the vehicle to transport the minor.



(b) A driver who is not disabled is not entitled to the parking privileges provided in this section and in section 169.346 unless parking the vehicle for a physically disabled person.

Sec. 4. Minnesota Statutes 1992, section 169.345, subdivision 3, is amended to read:

Subd. 3. [IDENTIFYING CERTIFICATE.] (a) The division of driver and vehicle services in the department of public safety shall issue (1) *immediately, a temporary permit valid for 30 days, if the person is eligible for the certificate issued under this paragraph, and* (2) a special identifying certificate for a motor vehicle when a physically disabled applicant submits proof of physical 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 disabled persons, the division may issue without charge (1) *immediately, a temporary permit valid for 30 days, if the operator is eligible for the certificate issued under this paragraph, and* (2) a special identifying certificate for the vehicle. The operator of a vehicle displaying the certificate or temporary permit has the parking privileges provided in subdivision 1 while the vehicle is in use for transporting physically disabled persons. The certificate issued to a person transporting physically 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 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 or temporary permit, and a fee of \$5 for a duplicate to replace a lost, stolen, or damaged certificate or temporary permit. *The commissioner shall not charge a fee for issuing a certificate to a person who has paid a fee for issuance of a temporary permit.*

Sec. 5. Minnesota Statutes 1992, section 169.345, subdivision 4, is amended to read:

Subd. 4. [UNAUTHORIZED USE; REVOCATION; PENALTY.] If a peace officer finds that the certificate or temporary permit 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 or temporary permit. A person who uses the certificate or temporary permit in violation of this section is guilty of a misdemeanor and is subject to a fine of \$500.

Sec. 6. Minnesota Statutes 1992, section 169.346, subdivision 1, is amended to read:

Subdivision 1. [PARKING CRITERIA.] A person shall not:

(1) park a motor vehicle in or obstruct access to a parking space designated and reserved for the physically disabled, on either private or public property;

(2) park a motor vehicle in or obstruct access to an area designated by a local governmental unit as a transfer zone for disabled persons; or

(3) exercise the parking privilege provided in section 169.345, unless:

(i) that person is a physically disabled person as defined in section 169.345, subdivision 2, or the person is transporting or parking a vehicle for a physically disabled person; and

(ii) the vehicle visibly displays one of the following: a license plate issued under section 168.021, a certificate issued under section 169.345, a *temporary permit valid for 30 days issued under section 168.021 or 169.345*, or an equivalent certificate, insignia, or license plate issued by another state, a foreign country, or one of its political subdivisions.

Sec. 7. Minnesota Statutes 1992, section 169.346, subdivision 2, is amended to read:

Subd. 2. [SIGNS; PARKING SPACES FREE OF OBSTRUCTIONS; PENALTY.] (a) Parking spaces reserved for physically disabled persons must be designated and identified by the posting of signs incorporating the international symbol of access in white on blue and indicating that violators are subject to a fine of up to \$200. These parking spaces are reserved for disabled persons with vehicles displaying the required certificate, license plates, *temporary permit valid for 30 days*, or insignia. Signs sold after August 1, 1991, must conform to the design requirements in this paragraph. For purposes of this subdivision, a parking space that is clearly identified as reserved for physically disabled persons by a permanently posted sign that does not meet all design standards, is considered designated and reserved for physically disabled persons. A sign posted for the purpose of this section must be visible from inside a vehicle parked in the space, be kept clear of snow or other obstructions which block its visibility, and be nonmovable or only movable by authorized persons.

(b) The owner or manager of the property on which the designated parking space is located shall ensure that the space is kept free of obstruction. If the owner or manager allows the space to be blocked by snow, merchandise, or similar obstructions for 24 hours after receiving a warning from a peace officer, the owner or manager is guilty of a misdemeanor and subject to a fine of up to \$500.

Sec. 8. Minnesota Statutes 1992, section 169.346, subdivision 3, is amended to read:

Subd. 3. [PENALTY; ENFORCEMENT.] A person who violates subdivision 1 is guilty of a misdemeanor and shall be fined not less than \$100 or more than \$200. This subdivision shall be enforced in the same manner as parking ordinances or regulations in the governmental subdivision in which the violation occurs. Law enforcement officers have the authority to tag vehicles parked on either private or public property in violation of subdivision 1. A physically disabled person, or a person parking a vehicle for a disabled

person, who is charged with violating subdivision 1 because the person parked in a parking space for physically disabled persons without the required certificate ~~or~~, license plates, *or temporary permit* shall not be convicted if the person produces in court or before the court appearance the required certificate, *temporary permit*, or evidence that the person has been issued license plates under section 168.021, and demonstrates entitlement to the certificate ~~or~~, plates, *or temporary permit* at the time of arrest or tagging.”

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. 1527 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.
		1527		1431	

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. 804 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.
804		1107			

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. 507 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.
507	481				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 507 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 507 and insert the language after the enacting clause of S.F. No. 481, the first engrossment; further, delete the title of H.F. No. 507 and insert the title of S.F. No. 481, the first engrossment.

And when so amended H.F. No. 507 will be identical to S.F. No. 481, and further recommends that H.F. No. 507 be given its second reading and substituted for S.F. No. 481, 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. 795 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.
795	742				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 795 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 795 and insert the language after the enacting clause of S.F. No. 742, the first engrossment; further, delete the title of H.F. No. 795 and insert the title of S.F. No. 742, the first engrossment.

And when so amended H.F. No. 795 will be identical to S.F. No. 742, and further recommends that H.F. No. 795 be given its second reading and substituted for S.F. No. 742, 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. 55 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
55	86				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 55 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 55 and insert the language after the enacting clause of S.F. No. 86, the first engrossment; further, delete the title of H.F. No. 55 and insert the title of S.F. No. 86, the first engrossment.

And when so amended H.F. No. 55 will be identical to S.F. No. 86, and further recommends that H.F. No. 55 be given its second reading and substituted for S.F. No. 86, 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. 654 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:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
654	704				

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. 381 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:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		381	509		

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. Metzen from the Committee on Governmental Operations and Reform, to which was referred

H.F. No. 86: A bill for an act relating to state government; extending expiration date of governor's residence council; providing for four additional public members; amending Minnesota Statutes 1992, section 16B.27, subdivision 3.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 519: A bill for an act relating to retirement; administrative changes and age discrimination act compliance by the Minnesota state retirement system and the public employees retirement association; coverage of fire inspectors, investigators, or marshals by the public employees police and fire fund; optional annuities and benefits payable by the teachers retirement association; amending Minnesota Statutes 1992, sections 3A.02, subdivision 1, and by adding a subdivision; 352.01, subdivisions 2b, 11, and by adding a subdivision; 352.03, subdivisions 4, 4a, and 6; 352.04, subdivision 9; 352.113, subdivisions 2, 4, 7, 12; and by adding a subdivision; 352.115, subdivision 8; 352.12, subdivisions 1, 3, 4, 7, 10, and 13; 352.15, subdivision 1a, and by adding subdivisions; 352.22, subdivisions 1 and 2; 352.23; 352.85, subdivision 4; 352.93, subdivision 2a; 352.94; 352.95, subdivisions 1, 2, 3, and 5; 352.951; 352.96, subdivisions 3 and 4; 352B.01, subdivision 3; 352B.08, subdivisions 1 and 2a; 352B.10, subdivisions 1, 2, and 5; 352B.101; 352B.11, subdivision 2; 352C.01; 352C.021; 352C.031; 352C.033; 352C.04; 352C.051; 352C.09; 352D.015, subdivision 4; 352D.02, subdivision 3, and by adding a subdivision; 352D.04, subdivision 1; 352D.05, subdivisions 1, 3, and 4; 352D.09, subdivision 5, and by adding a subdivision; 353.01, subdivisions 2, 2a, 2b, 6, 7, 10, 11a, 12, 16, 28, 31, 32, and by adding subdivisions; 353.017; 353.27, subdivision 7; 353.29, subdivision 1; 353.33, subdivisions 1, 2, 3, 4, 6, 8, 11, and by adding a subdivision; 353.34, subdivisions 1 and 3; 353.35; 353.37; 353.64, subdivisions 1, 3, 5a, and 9; 353.656, subdivisions 1, 1a, 3, 5, and by adding subdivisions; 353.71, subdivision 1; 353A.08, subdivisions 1, 3, and 5; 353A.10, subdivision 4; 353B.11, subdivision 6; 353C.08, subdivisions 1 and 2; 353D.02; 353D.04; 353D.05, subdivision 3; 353D.07, subdivision 2; 354.35; 354.46, subdivision 1; 354.48, subdivisions 3 and 10; 356.302, subdivisions 4 and 6; 356.453; 356.61; and 490.124, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 3A; repealing Minnesota Statutes 1992, sections 3A.06; 352.01, subdivision 7; 352.12, subdivision 5; 352.22, subdivision 9; 352.73; 352.94, subdivision 2; 352B.01, subdivision 2a; 352B.131; 352B.14; 352B.261; 352B.262; 352B.28; 352C.021, subdivision 3; 352D.05, subdivision 5; and 353.656, subdivision 6.

Reports the same back with the recommendation that the bill be amended as follows:

Page 28, after line 27, insert:

"Sec. 38. Minnesota Statutes 1992, section 352D.09, is amended by adding a subdivision to read:

*Subd. 8. [ADMINISTRATIVE CHARGE DEDUCTIONS.] Any administrative charges deducted under subdivision 7 that were in excess of the administrative expenses between July 1, 1973, and June 30, 1992, together with any investment gains or losses based on fiscal year balances, must be recovered from the state employees retirement plan and held in the unclassified plan to pay future administrative expenses. Any deductions to pay administrative expenses under section 11A.17, subdivision 10a, on contributions and investment returns attributable to contributions made before July 1, 1992, must be credited back to the participants in the unclassified plan."*

Page 29, delete section 40 and insert:

*"Sec. 41. [EFFECTIVE DATE.]*

*Sections 1 to 40 are effective the day following final enactment."*

Renumber the sections of article 1 in sequence

Page 29, delete lines 31 to 36

Page 30, delete lines 1 to 5 and insert:

*"Subd. 5. [OPTIONAL ANNUITIES.] (a) The board of directors shall establish an optional retirement annuity in the form of a joint and survivor annuity and an optional retirement annuity in the form of a period certain and life thereafter. These optional annuities are to be available only to legislators who elect to receive retirement annuities under section 356.30 and who do not meet the legislative length of service requirements under subdivision 1, paragraph (a), clause (1). Except as provided in paragraph (b), these optional annuity forms must be actuarially equivalent to the normal annuity computed under this section, without the automatic survivor coverage under section 3A.04.*

*(b) If a retired legislator selects the joint and survivor annuity option, the retired legislator must receive a normal single-life annuity if the designated optional annuity beneficiary dies before the retired legislator, and no reduction may be made in the annuity to provide for restoration of the normal single-life annuity in the event of the death of the designated optional annuity beneficiary."*

Pages 30 and 31, delete sections 3 and 4

Page 34, lines 13 and 14, delete the new language and insert *"within 90 days of attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later,"*

Page 34, line 19, after *"made"* insert *"within 90 days"* and after *"before"* insert *"attaining age 65 or"*

Page 34, line 20, after *"anniversary"* insert *"of the effective"* and after *"date"* insert *"of the disability benefit, whichever is later"*

Page 34, line 26, reinstate the stricken *"age"* and delete *"the"*

Page 34, line 27, before *"five-year"* insert *"65 or the"* and after *"anniversary"* insert *"of the effective"* and before the period, insert *"of the disability benefit, whichever is later"*

Page 37, line 26, delete *"either"*

Page 37, line 27, after *"of"* insert *"attaining age 65 or"*

Page 37, line 28, delete "start" and insert "effective date" and after the second "of" insert "the" and delete "payment" and insert "benefit, whichever is later"

Page 37, line 30, after "following" insert "attainment of age 65 or"

Page 37, line 31, after "anniversary" insert "of the effective" and after "date" insert "of the disability benefit" and delete "applies" and insert "is later"

Page 37, after line 31, insert:

"Sec. 15. Minnesota Statutes 1992, section 352B.105, is amended to read:  
352B.105 [TERMINATION OF DISABILITY BENEFITS.]

Disability benefits payable under section 352B.10 shall terminate at the end of the month the beneficiary becomes 55 years old. If the beneficiary is still disabled when the beneficiary becomes 55 years old, the beneficiary shall be deemed to be a retired member and, if the beneficiary had chosen an optional annuity under section 352B.10, subdivision 5, shall receive an annuity in accordance with the terms of the optional annuity previously chosen. If the beneficiary had not chosen an optional annuity under section 352B.10, subdivision 5, the beneficiary may choose to receive either a normal retirement annuity computed under section 352B.08, subdivision 2, or an optional annuity as provided in section 352B.08, subdivision 3. An optional annuity must be chosen before the beneficiary becomes 55 years old within 90 days of attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later. If an optional annuity is chosen, the optional annuity shall begin to accrue the first of the month following the month in which the beneficiary becomes 55 years old attainment of age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later."

Page 37, line 35, after the comma, insert "or" and before "receiving" insert "or former member"

Page 37, line 36, delete "for less than five years" and insert "before attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later,"

Page 38, line 1, strike everything after the first comma

Page 38, line 2, strike the old language and delete the new language

Page 38, line 3, strike "section 352B.10, subdivision 2," and insert "subdivisions 1 and 2," and after "cause" insert "before attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later"

Page 41, after line 25, insert:

"Sec. 19. [RETROACTIVE BENEFIT ACCRUAL TO COMPLY WITH AGE DISCRIMINATION LAWS.]

A retired member of the state patrol retirement plan who retired after December 31, 1987, and whose annuity was calculated using less than full years and months of service earned after reaching age 60 must have monthly benefits recomputed using all years and months of service and including any postretirement adjustments that would have been payable. The difference



*between the original calculation and recomputed amount must be paid retroactively to September 1, 1989, or the date the annuity began to accrue, whichever is later.*

Sec. 20. [EFFECTIVE DATE.]

*Sections 1 to 19 are effective the day following final enactment."*

Renumber the sections of article 2 in sequence

Page 41, delete lines 27 and 28 and insert:

"MISCELLANEOUS MSRS PROVISIONS"

Pages 41 to 44, delete section 1

Page 45, line 12, before "The" insert "Notwithstanding laws to the contrary,"

Page 45, line 13, after "retirees" insert "who were employed by the University of Minnesota at the time of termination"

Page 45, line 14, delete everything after "for"

Page 45, delete lines 15 and 16 and insert "retirees who were employed by the specific state agency at the time of termination. The board, at its discretion, may supply names and addresses of state and university retirees to an organization that has been in existence for at least ten years and represents more than 5,000 retired state and university employees. The names and addresses of each retiree may be given to this organization only once within 60 days of the effective date of the annuity. The board shall require the retiree organization, the University of Minnesota, or state agency to reimburse the fund for any administrative expense of providing the list. The list remains the property of the Minnesota state retirement system and may not be subsequently sold, conveyed, given, or otherwise transferred by the retiree organization, the University of Minnesota, or the state agency to a third party. Periodically, retirees must be given an opportunity to specify that their name and address not be distributed under this section."

Page 45, delete section 4

Page 46, line 4, delete "may" and insert "shall"

Page 46, line 6, delete ", and" and insert a period

Page 46, after line 15, insert:

"Sec. 5. Minnesota Statutes 352B.01, subdivision 11, is amended to read:

Subd. 11. [AVERAGE SALARY.] "Average monthly salary" means the average of the highest monthly salaries for five years of service as a member. Average monthly salary must be based upon all allowable service if this service is less than five years. It does not include any amounts of severance pay or any reduced salary paid during the period the person is entitled to workers' compensation benefit payments for temporary disability. A member on leave of absence receiving temporary workers' compensation payments and a reduced salary or no salary from the employer who is entitled to allowable service credit for the period of absence, may make payment to the fund for the difference between salary received, if any, and the salary the member would normally receive if not on leave of absence during the period.

*The member shall pay an amount equal to the member and employer contribution rate under section 352B.02, subdivisions 1b and 1c, on the differential salary amount for the period of the leave of absence. The employing department, at its option, may pay the employer amount on behalf of the member. Payment made under this subdivision must include interest at the rate of 8.5 percent per year, and must be completed within one year of the return from the leave of absence."*

Page 46, line 33, reinstate the stricken comma

Page 46, line 36, before the period, insert *"except that (1) the employee contribution paid to the unclassified plan must be compared to (2) the employee contributions that would have been paid to the general plan for the comparable period, if the individual had been covered by that plan. If clause (1) is greater than clause (2), the difference must be refunded to the employee as provided in section 352.22. If clause (2) is greater than clause (1), the difference must be paid by the employee within six months of electing general plan coverage or before the effective date of the annuity, whichever is sooner"*

Page 47, after line 4, insert:

*"Sec. 8. [EFFECTIVE DATE.]*

*Sections 1 to 7 are effective the day following final enactment."*

Renumber the sections of article 3 in sequence

Page 59, line 31, delete *"or"*

Page 59, line 32, delete *"less"*

Page 61, delete lines 35 and 36

Page 62, delete lines 1 to 8

Page 62, line 33, after *"current"* insert *"coordinated"*

Page 65, line 21, after *"service"* insert *"and who becomes totally and permanently disabled"*

Page 67, line 1, delete *"\$50 for life"* and insert *"\$25 to age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later"*

Page 69, line 19, delete *"either"*

Page 69, line 20, before *"equal"* insert *"an annuity"*

Page 70, line 3, after *"dies"* insert *"before attaining age 65 or"*

Page 70, line 4, after the comma, insert *"whichever is later,"*

Page 70, line 7, after *"living"* insert *"at age 65 or"*

Page 70, line 8, after the comma, insert *"whichever is later,"*

Page 70, line 10, delete everything after the period.

Page 70, delete lines 11 and 12

Page 70, line 13, delete *"3"* and insert *"The election of the joint and survivor optional annuity must occur within 90 days of age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later"*

Page 70, lines 14 and 15, delete "*expiration of the five-year period occurs*" and insert "*person attains age 65 or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later*"

Page 71, line 27, delete "(a)"

Page 71, line 32, after "person" insert "*returns to active service and*"

Page 71, line 33, strike "all" and insert "*the refund or*"

Page 71, line 36, after the period, insert "*If the person elects to restore service credit in a particular fund from which the person has taken more than one refund, the person must repay all refunds to that fund. All refunds must be repaid within six months of the last date of termination of public service.*"

Page 72, lines 1 and 2, delete the new language and strike the old language

Page 72, line 3, strike "the person may repay" and delete "*any or*" and strike "all refunds"

Page 72, line 5, delete the new language

Page 72, lines 6 to 11, delete the new language and strike the old language

Page 74, line 2, reinstate the stricken "any further" and reinstate the stricken "to"

Page 74, line 3, reinstate the stricken language and delete "*on behalf*"

Page 74, lines 4 and 5, delete the new language

Page 76, delete section 33

Page 77, line 16, delete everything after "*or*"

Page 77, line 17, delete everything before "*under*" and insert "*as specified*"

Page 79, line 31, after "*dies*" insert "*before attaining age 65 or*"

Page 79, line 32, after the comma, insert "*whichever is later,*"

Page 80, line 3, after "*living*" insert "*at age 65 or*"

Page 80, line 4, after the comma, insert "*whichever is later,*"

Page 80, line 5, after "*or*" insert "*the member may*"

Page 80, line 8, after the period, insert "*The election of this joint and survivor annuity must occur within 90 days of age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later.*"

Page 80, line 10, delete "*expiration of the five-year period occurred*" and insert "*person attains age 65 or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later*"

Pages 80 and 81, delete section 40

Page 93, delete section 56 and insert:

"Sec. 54. [EFFECTIVE DATE.]

*Sections 1 to 18, 20, 22 to 24, 27 to 29, 31, 32, 36, 37, 39 to 43, 46 to 49, and 52 are effective July 1, 1993. Section 30 is effective January 1, 1993.*

Sections 19, 21, 25, 26, 33 to 35, 38, 44, 45, 50 and 53 are effective retroactively to October 16, 1992. Section 51 is effective May 1, 1994."

Renumber the sections of article 4 in sequence

Pages 93 and 94, delete article 5

Page 94, line 12, delete "6" and insert "5"

Page 95, line 20, before the comma, insert "*before attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later*"

Page 97, line 17, delete "*of \$50*" and strike "shall" and insert "*of \$25 or age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later, must*"

Page 98, line 23, strike "at"

Page 98, line 24, strike "the option of the person" and strike "either a straight life"

Page 98, line 25, strike "retirement annuity computed pursuant to section 354.44 or"

Page 98, line 27, strike "attained"

Page 98, line 28, delete the new language and insert "*attains age 65 or reaches the five-year anniversary of the effective date of the disability benefit*" and strike "amount" and strike "greater" and insert "*later*"

Page 98, line 30, strike "shall" and insert "*must*"

Page 98, line 31, strike "prior to the person attaining the normal retirement age" and insert "*within 90 days of age 65 or the five-year anniversary of the effective date of the disability benefit, whichever is later*"

Page 98, lines 33 and 34, strike "the normal retirement age" and insert "*age 65 or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later,*"

Page 98, line 36, strike "that" and before the period, insert "*65 or reaches the five-year anniversary of the effective date of the disability benefit, whichever is later*"

Page 99, after line 3, insert:

#### ARTICLE 6

#### SURVIVING SPOUSE BENEFITS

Section 1. Minnesota Statutes 1992, section 352.12, subdivision 2, is amended to read:

Subd. 2. [SURVIVING SPOUSE BENEFIT.] If an employee or former employee is ~~at least 50 years old and who~~ has credit for at least three years allowable service ~~or who has credit for at least 30 years of allowable service, regardless of age,~~ dies before an annuity or disability benefit has become payable, notwithstanding any designation of beneficiary to the contrary, the surviving spouse of the employee may elect to receive, in lieu of the refund with interest provided in subdivision 1, an annuity equal to the joint and 100 percent survivor annuity which the employee could have qualified for had the employee terminated service on the date of death. The surviving spouse may

apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The annuity must be computed as provided in sections 352.115, subdivisions 1, 2, and 3, and 352.116, subdivisions 1, 1a, and 3. Sections 352.22, subdivision 3, and 352.72, subdivision 2, apply to a deferred annuity payable under this subdivision. The annuity must cease with the last payment received by the surviving spouse in the lifetime of the surviving spouse. An amount equal to the excess, if any, of the accumulated contributions credited to the account of the deceased employee in excess of the total of the benefits paid and payable to the surviving spouse must be paid to the deceased employee's last designated beneficiary or, if none, to the surviving children of the deceased spouse in equal shares or, if none, to the surviving parents of the deceased spouse or, if none, to the representative of the estate of the deceased spouse. Any employee may request in writing that this subdivision not apply and that payment be made only to a designated beneficiary as otherwise provided by this chapter.

Sec. 2. Minnesota Statutes 1992, section 353.32, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE OPTIONAL ANNUITY.] If a member or former member ~~who has attained at least age 50 and who has credit for not less than three years of allowable service or who has credit for not less than 30 years of allowable service, regardless of age attained,~~ dies before the annuity or disability benefit begins to accrue under section 353.29, subdivision 7, or 353.33, subdivision 2, notwithstanding any designation of beneficiary to the contrary, the surviving spouse may elect to receive, instead of a refund with interest under subdivision 1, or surviving spouse benefits otherwise payable under section 353.31, an annuity equal to the 100 percent joint and survivor annuity that the member could have qualified for had the member terminated service on the date of death.

Notwithstanding the definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the member, if any, is entitled to a portion of the monthly surviving spouse optional annuity if stipulated under the terms of a marriage dissolution decree filed with the association. If there is no surviving spouse or child or children, a former spouse may be entitled to a lump-sum refund payment under subdivision 1, if provided for in a marriage dissolution decree but not a monthly surviving spouse optional annuity despite the terms of a marriage dissolution decree filed with the association.

The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. The annuity must be computed under sections 353.29, subdivisions 2 and 3; 353.30, subdivisions 1, 1a, 1b, 1c, and 5; and 353.31, subdivision 3. Sections 353.34, subdivision 3, and 353.71, subdivision 2, apply to a deferred annuity payable under this subdivision. No payment may accrue beyond the end of the month in which entitlement to the annuity has terminated. An amount equal to any excess of the accumulated contributions that were credited to the account of the deceased employee over and above the total of the annuities paid and payable to the surviving spouse must be paid to the deceased member's last designated beneficiary or, if none, to the legal representative of the estate of the deceased member. A member may specify in writing that this subdivision does not apply and that payment may be made only to the designated beneficiary as otherwise provided by this chapter.

Sec. 3. Minnesota Statutes 1992, section 354.46, subdivision 2, is amended to read:

Subd. 2. [DEATH WHILE ELIGIBLE DESIGNATED BENEFICIARY BENEFIT.] The surviving spouse of any member or former member who has attained the age of at least 50 years and has credit for at least three years of allowable service or who has credit for at least 30 years of allowable service irrespective of age is entitled to joint and survivor annuity coverage in the event of death of the member prior to retirement. If the surviving spouse does not elect to receive a surviving spouse benefit provided pursuant to subdivision 1, if applicable, or does not elect to receive a refund of accumulated member contributions provided pursuant to section 354.47, subdivision 1, the surviving spouse is entitled to receive, upon written application on a form prescribed by the executive director, a benefit equal to the second portion of a 100 percent joint and survivor annuity as provided pursuant to section 354.45 and computed pursuant to section 354.44, subdivision 2, 6, or 7, whichever is applicable. The surviving spouse may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. This benefit accrues from the day following the date of death but may not begin to accrue more than six months before the date the application is filed with the executive director. Sections 354.44, subdivision 6 and 354.60 apply to a deferred annuity payable under this section. The benefit is payable for life.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Page 99, delete lines 12 and 13 and insert:

*"Section 1 is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "and" and insert a comma

Page 1, line 3, after "compliance" insert ", and death-while-active surviving spouse benefit improvements"

Page 1, line 4, delete "and" and insert a comma

Page 1, line 5, before the semicolon, insert ", and the teachers' retirement association" and delete "coverage of fire inspectors,"

Page 1, delete lines 6 to 8

Page 1, line 11, delete "subdivisions" and insert "subdivision" and delete "11,"

Page 1, line 13, before "7" insert "and" and delete ", 12, and by adding a"

Page 1, line 14, delete the first "subdivision"

Page 1, line 15, after the first comma, insert "2,"

Page 1, line 20, delete "subdivision" and insert "subdivisions" and after "3" insert "and 11"

Page 1, line 21, after the third semicolon, insert "352B.105;"

Page 1, line 27, delete "a subdivision" and insert "subdivisions"

Page 1, line 30, after the semicolon, insert "353.32, subdivision 1a;"

Page 1, line 32, delete ", 3,"

Page 1, line 33, before "5a," insert "and" and delete ", and 9"

Page 1, line 34, delete "353.71, subdivision 1;"

Page 1, line 38, delete the second "subdivision" and insert "subdivisions" and after "1" insert "and 2"

Page 1, lines 44 and 45, delete "352.94, subdivision 2;"

Page 1, line 46, delete "352C.021,"

Page 2, line 1, delete "subdivision 3;"

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. 480: A bill for an act relating to workers' compensation; requiring appointment of guardians and conservators for minors and incapacitated persons; amending Minnesota Statutes 1992, sections 176.091; 176.111, subdivision 5; and 176.521, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 176; and 525.

Reports the same back with the recommendation that the report from the Committee on Jobs, Energy and Community Development, shown in the Journal for April 7, 1993, be amended to read:

"the bill be amended and when so amended the bill do pass and be re-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. 255: A bill for an act relating to retirement; providing continued coverage in the Minnesota state retirement system for certain employees; amending Minnesota Statutes 1992, sections 352.01, subdivision 2a; and 352.04, subdivision 6.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for April 7, 1993, 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. 439: A bill for an act relating to economic and social 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 report from the Committee on Governmental Operations and Reform, shown in the Journal for April 12, 1993, be amended to read:

“the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 385: A bill for an act relating to civil actions; adopting the discovery rule for medical malpractice statutes of limitation; amending Minnesota Statutes 1992, section 541.07.

Reports the same back with the recommendation that the report from the Committee on Judiciary, shown in the Journal for April 12, 1993, be amended to read:

“the bill be amended and when so amended the bill do pass and be re-referred to the Committee on Health Care”. 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. 1053: A bill for an act relating to state and local government; establishing the Minnesota information network; establishing the metropolitan public information network pilot program; authorizing rulemaking; proposing coding for new law as Minnesota Statutes, chapter 116S.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for April 7, 1993, be amended to read:

“the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 860: A bill for an act relating to retirement; providing coverage for unclassified managerial employees in temporary, acting, or interim positions; providing default plan for employee selection; providing one time vesting change for state university employee; providing for retroactive effect of 1990 law; adding conforming language to clarify eligibility between plans; relating to the individual retirement account plan; providing new eligibility period; providing for refunding of amounts forfeited; providing coverage for certain part-time employees; providing for repayment of missed contributions; providing for administrative expenses; providing for contributions during period of sabbatical leave; relating to the supplemental retirement plan; providing conforming language for previous oversight of eligible members; relating to retirement plan for technical college employees; providing investment option under individual retirement account plan; relating to marriage dissolutions; providing alternate method of retirement asset distribution for individual retirement account plan; amending Minnesota Statutes 1992;



sections 352D.02, subdivision 1a, and by adding a subdivision; 354.05, subdivision 2a; 354B.01, subdivision 1, and by adding a subdivision; 354B.015; 354B.02, subdivisions 1, 2, 3a, and by adding a subdivision; 354B.04, by adding a subdivision; 354B.05, subdivision 1, and by adding a subdivision; 356.24, subdivision 1; and 518.58, subdivision 4; Laws 1990, chapter 570, article 10, section 7; proposing coding for new law in Minnesota Statutes, chapter 354B; repealing Minnesota Statutes 1992, section 354B.02, subdivision 3.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for April 12, 1993, be amended to read:

“the bill be amended 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 under Rule 35, together with the committee report thereon,

S.F. No. 773: A bill for an act relating to transportation; allocating funding for town bridges replaced by culverts when replacement does not exceed \$20,000; amending Minnesota Statutes 1992, section 161.082, subdivision 2a.

Reports the same back with the recommendation that the report from the Committee on Transportation and Public Transit, shown in the Journal for April 12, 1993, 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. 391: A bill for an act relating to education; making superintendents and principals at-will positions in school districts; amending Minnesota Statutes 1992, sections 123.34, subdivisions 9 and 10; and 125.12, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Education, shown in the Journal for April 12, 1993, 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. 610: A bill for an act relating to economic development; adding the executive director of the higher education coordinating board to the Minnesota job skills partnership board; authorizing the use by the job skills partnership board of funds from any source for grants and dissemination of information; amending Minnesota Statutes 1992, sections 116L.03, subdivision 2; and 116L.05, by adding a subdivision.

Reports the same back with the recommendation that the report from the Committee on Governmental Operations and Reform, shown in the Journal for April 7, 1993, be amended to read:

"the bill do pass and be re-referred to the Committee on Finance". 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. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 62A.021, subdivision 1; 62A.65; 62C.16, by adding a subdivision; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivisions 2 and 3; 62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1; 295.50, subdivisions 3, 4, 7, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivision 1; 295.55, subdivision 4; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 137; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivision 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Taxes and Tax Laws, shown in the Journal for April 12, 1993, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass and be re-referred to the Committee on Health Care". 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. 938: A bill for an act relating to commerce; modifying the definition of business license; regulating residential building contractors and

remodelers; providing licensing requirements; prescribing the powers and duties of the commissioner; establishing a contractor's recovery fund; amending Minnesota Statutes 1992, sections 116J.70, subdivision 2a; 326.83, subdivisions 4, 6, 7, 8, 10, and by adding subdivisions; 326.84, subdivisions 1 and 3; 326.85, subdivision 1; 326.86; 326.87, subdivision 2; 326.88; 326.89, subdivisions 2, 3, and by adding subdivisions; 326.90; 326.91, subdivisions 1 and 2; 326.92, subdivisions 1 and 3; 326.93, subdivision 1; 326.94, subdivision 2; 326.97, subdivision 1, and by adding a subdivision; 326.99; and 326.991; proposing coding for new law in Minnesota Statutes, chapter 326; repealing Minnesota Statutes 1992, sections 326.84, subdivision 2; 326.94, subdivision 1; and 326.991, subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Commerce and Consumer Protection, shown in the Journal for April 12, 1993, be amended to read:

"the bill be amended 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 Crime Prevention, to which was referred

S.F. No. 190: A bill for an act relating to government data practices; providing that criminal history data is public; providing that a record of conviction of certain crimes prevents an individual from obtaining a foster care license; amending Minnesota Statutes 1992, sections 13.87, subdivision 2; and 245A.04, 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 1992, 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 client preferred, variances granted, type of dwelling, name and relationship of other family members, previous license history, class of license, and the existence and status of complaints. When disciplinary action has been taken against a licensee or the complaint is resolved, the following data are public:

the substance of the complaint, the findings of the investigation of the complaint, the record of informal resolution of a licensing violation, orders of hearing, findings of fact, conclusions of law, and specifications of the final disciplinary action contained in the record of disciplinary action.

*The following data on persons licensed under section 245A.04 to provide family day care for children, child care center services, foster care for children in the provider's home; or foster care or day care services for adults in the provider's home, are public: the nature of any disqualification set aside under section 245A.04, subdivision 3b, and the reasons for setting aside the disqualification; and the reasons for granting any variance under section 245A.04, subdivision 9.*

(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, 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.

Sec. 2. Minnesota Statutes 1992, section 13.87, subdivision 2, is amended to read:

Subd. 2. [CLASSIFICATION.] Criminal history data maintained by agencies, political subdivisions and statewide systems are classified as private, pursuant to section 13.02, subdivision 12, *except that data created, collected, or maintained by the bureau of criminal apprehension that identify an individual who was convicted of a crime and the offense of which the individual was convicted are public data.*

Sec. 3. Minnesota Statutes 1992, section 245A.04, subdivision 3b, is amended to read:

Subd. 3b. [RECONSIDERATION OF DISQUALIFICATION.] (a) Within 30 days after receiving notice of disqualification under subdivision 3a, the individual who is the subject of the study may request reconsideration of the notice of disqualification. The individual must submit the request for

reconsideration to the commissioner in writing. The individual must present information to show that:

(1) the information the commissioner relied upon is incorrect; or

(2) the subject of the study does not pose a risk of harm to any person served by the applicant or license holder.

(b) The commissioner may set aside the disqualification if the commissioner finds that the information the commissioner relied upon is incorrect or the individual does not pose a risk of harm to any person served by the applicant or license holder. The commissioner shall review the consequences of the event or events that could lead to disqualification, *whether there is more than one disqualifying event*, the vulnerability of the victim at the time of the event, the time elapsed without a repeat of the same or similar event, and documentation of successful completion by the individual studied of training or rehabilitation pertinent to the event. *In reviewing a disqualification, the commissioner shall give preeminent weight to the safety of each person to be served by the license holder or applicant over the interests of the license holder or applicant.*

(c) *Unless the information the commissioner relied on in disqualifying an individual is incorrect, the commissioner may not set aside the disqualification of an individual who seeks a license to provide family day care for children, foster care for children in the provider's own home, or foster care or day care services for adults in the provider's own home if:*

*(1) less than ten years have passed since the discharge of the sentence imposed for the offense; and the individual has been convicted of a violation of section 609.20 (manslaughter in the first degree), 609.205 (manslaughter in the second degree), 609.21 (criminal vehicular homicide), 609.215 (aiding suicide or aiding attempted suicide), 609.221 to 609.2231 (felony violations of assault in the first, second, third, or fourth degree), 609.713 (terroristic threats), 609.285 (use of drugs to injure or to facilitate crime), 609.24 (simple robbery), 609.245 (aggravated robbery), 609.25 (kidnapping), 609.255 (false imprisonment), 609.561 or 609.562 (arson in the first or second degree), 609.71 (riot), 609.582 (burglary in the first or second degree), 609.66 (reckless use of a gun or dangerous weapon or intentionally pointing a gun at or towards a human being), 609.665 (setting a spring gun), 609.67 (unlawfully owning, possessing, or operating a machine gun), 152.021 or 152.022 (controlled substance crime in the first or second degree), 152.023, subdivision 1, clause (3) or (4), or subdivision 2, clause (4) (controlled substance crime in the third degree), 152.024, subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree), 609.228 (great bodily harm caused by distribution of drugs), 609.23 (mistreatment of persons confined), 609.231 (mistreatment of residents or patients), 609.265 (abduction), 609.2664 to 609.2665 (manslaughter of an unborn child in the first or second degree), 609.267 to 609.2672 (assault of an unborn child in the first, second, or third degree), 609.268 (injury or death of an unborn child in the commission of a crime), 617.293 (disseminating or displaying harmful material to minors), 609.378 (neglect or endangerment of a child), 609.377 (a gross misdemeanor offense of malicious punishment of a child); or an attempt or conspiracy to commit any of these offenses, as each of these offenses is defined in Minnesota Statutes; or an offense in any other state, the elements of which are substantially similar to the elements of any of the foregoing offenses;*

(2) regardless of how much time has passed since the discharge of the sentence imposed for the offense, the individual was convicted of a violation of sections 609.185 to 609.195 (murder in the first, second, or third degree), 609.2661 to 609.2663 (murder of an unborn child in the first, second, or third degree), 609.377 (a felony offense of malicious punishment of a child), 609.322 (soliciting, inducement, or promotion of prostitution), 609.323 (receiving profit derived from prostitution), 609.342 to 609.345 (criminal sexual conduct in the first, second, third, or fourth degree), 609.352 (solicitation of children to engage in sexual conduct), 617.245 (use of minors in a sexual performance), 617.247 (possession of pictorial representations of a minor), 609.365 (incest), or an offense in any other state, the elements of which are substantially similar to any of the foregoing offenses;

(3) within the seven years preceding the study, the individual committed an act that constitutes maltreatment of a child under section 626.556, subdivision 10e, and that resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence; or

(4) within the seven years preceding the study, the individual was determined under section 626.557 to be the perpetrator of a substantiated incident of abuse of a vulnerable adult that resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence.

In the case of any ground for disqualification under clauses (1) to (4), if the act was committed by an individual other than the applicant or license holder residing in the applicant's or license holder's home, the applicant or license holder may seek reconsideration when the individual who committed the act no longer resides in the home.

The disqualification periods provided under clauses (1), (3), and (4) are the minimum applicable disqualification periods. The commissioner may determine that an individual should continue to be disqualified from licensure because the license holder or applicant poses a risk of harm to a person served by that individual after the minimum disqualification period has passed.

(e) (d) The commissioner shall respond in writing to all reconsideration requests within 15 working days after receiving the request for reconsideration. If the disqualification is set aside, the commissioner shall notify the applicant or license holder in writing of the decision.

(d) (e) Except as provided in subdivision 3c, the commissioner's decision to grant or deny a reconsideration of disqualification under this subdivision, or to set aside or uphold the results of the study under subdivision 3, is the final administrative agency action.

#### Sec. 4. [EFFECTIVE DATE; APPLICATION.]

Sections 1 and 3 are effective the day after final enactment. Section 2 is effective December 31, 1993.

Section 3, paragraph (c), clauses (1), except in the case of conviction for neglect or endangerment of a child, (3), and (4), apply only to initial license applications made on or after that date.

*As soon as practicable but not later than one year after the effective date of this section, the commissioner shall review all disqualifications which were set aside under Minnesota Statutes, section 245A.04, subdivision 3b, and all variances which were granted under Minnesota Statutes, section 245A.04, subdivision 9, before the effective date of this section in the case of:*

*(1) a license holder who holds a type of license listed in Minnesota Statutes, section 245A.04, subdivision 3b, paragraph (c);*

*(2) a license holder who obtained such a license before the effective date of this section; and*

*(3) a license holder, an individual residing in the license holder's home, or an employee of the license holder who:*

*(i) was convicted of a crime listed in Minnesota Statutes, section 245A.04, subdivision 3b, paragraph (c), clause (1); or*

*(ii) was found to be the perpetrator of substantiated maltreatment or abuse under Minnesota Statutes, section 245A.04, subdivision 3b, paragraph (c), clause (3) or (4).*

*The purpose of the review is to determine whether the license holder or anyone residing in the license holder's home poses any risk of harm to any person served by the license holder. In conducting this review the commissioner must give preeminent weight to the safety of each person served by the license holder over the interests of the license holder."*

Delete the title and insert:

"A bill for an act relating to government data practices; providing that certain criminal conviction data are public; providing that a record of conviction of certain crimes and other determinations disqualify an individual from obtaining certain human services licenses; providing for access to certain data on day care and foster care licensees; amending Minnesota Statutes 1992, sections 13.46, subdivision 4; 13.87, subdivision 2; and 245A.04, subdivision 3b."

And when so amended the bill do pass and be re-referred to the Committee on Family Services. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 415: A bill for an act relating to housing; requiring owner to furnish a tenant with a copy of a written lease; requiring disclosure of inspection and condemnation orders; clarifying a tenant's abandonment of property; modifying procedure for tenant file disclosure by tenant screening services; modifying low-income housing; providing penalties; amending Minnesota Statutes 1992, sections 504.22, subdivision 2; 504.24; 504.29, by adding a subdivision; 504.30, subdivisions 1 and 4; 504.33, subdivision 5; 504.34, subdivisions 1 and 2; 566.17, subdivision 3; and 566.18, subdivisions 2 and 7; proposing coding for new law in Minnesota Statutes, chapter 504.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"Section 1. [504.012] [WRITTEN LEASE REQUIRED.]**

*An owner of a multiunit building, with 12 or more residential units, shall have a written lease for each unit rented to a residential tenant. The definitions of "owner," "tenant," and "building" in section 566.18 apply to this section.*

**Sec. 2. [504.015] [TENANT TO BE GIVEN COPY OF LEASE.]**

*Subdivision 1. [DEFINITIONS.] The definitions of "owner" and "tenant" in section 566.18 apply to this section.*

*Subd. 2. [COPY OF WRITTEN LEASE TO TENANT.] An owner shall give a tenant a copy of a written lease within ten days after it is signed by the tenant.*

*Subd. 3. [LEGAL ACTION TO ENFORCE LEASE.] In any legal action to enforce a written lease, except for nonpayment of rent, disturbing the peace, malicious destruction of property, or a violation of section 504.181, it is a defense for the tenant to establish that the owner failed to comply with subdivision 2. This defense may be overcome if the owner establishes that the tenant had actual knowledge of the term or terms of the lease upon which the legal action is based.*

**Sec. 3. Minnesota Statutes 1992, section 504.22, subdivision 2, is amended to read:**

**Subd. 2. (a)** There shall be disclosed to the tenant either in the rental agreement or otherwise in writing prior to commencement of the tenancy the name and address of:

(1) the person authorized to manage the premises; and

(2) an owner of the premises or an agent authorized by the owner to accept service of process and receive and give receipt for notices and demands.

*(b) Except as otherwise provided in paragraphs (d) to (g), the disclosure described in paragraph (c) must be made to a tenant, or to a person before starting a tenancy, when:*

*(1) an owner of a building receives notice of a contract for deed cancellation under section 559.21 or notice of a mortgage foreclosure sale under chapter 580 or 582; or*

*(2) an owner of a manufactured home receives notice of repossession under chapter 325G or 336.*

*The disclosure must be made before the owner signs a lease or accepts rent or a security deposit from a tenant or a prospective tenant.*

*(c) The disclosure under paragraph (b) must specify:*

*(1) the date of the foreclosure sale or contract for deed cancellation;*

*(2) the time allowed for redemption by the mortgagor's personal representatives or assigns in the case of a foreclosure;*

*(3) the date by which the tenant must vacate the premises; and*

*(4) the name of the mortgagor and the mortgagee, and any assignee of the*



mortgagee, or the name of the person who holds the contract for deed, if requested by a tenant or prospective tenant.

For purposes of this subdivision, the term "building" does not include a manufactured home park as defined in section 327C.01, subdivision 5.

(d) An owner of a building or manufactured home is not required to disclose notice of a mortgage foreclosure sale, contract for deed cancellation, or repossession under paragraphs (b) and (c) when:

(1) the owner enters into a lease agreement that does not extend past the cancellation period or owner's period of redemption;

(2) in the case of a contract for deed cancellation, the owner is able to cure the default within 30 days of the cancellation notice;

(3) the mortgagee or contract holder notifies the owner in writing that:

(i) leases existing at the end of the cancellation period or owner's period of redemption will be honored for the term of the lease; the mortgagee's or contract holder's notification to the owner may establish minimum rental rates, length of tenancy, or other terms and conditions for honoring leases that are new or renewed after the date of the notification; and

(ii) tenancies on a month-to-month basis will not be terminated at the end of the cancellation period or owner's period of redemption provided the terms of the tenancy meet the minimum rental rates and other terms and conditions established in the mortgagee's or contract holder's notification to the owner; or

(4) a receiver has been appointed under chapters 559 and 576.

(e) Notwithstanding the provisions in paragraph (d), an owner shall always disclose notice of a mortgage foreclosure sale, contract for deed cancellation, or repossession as required under paragraphs (b) and (c) when:

(1) the owner enters into a month-to-month tenancy after a foreclosure sale has occurred; or

(2) the owner enters into a lease agreement with a tenant, knowing that the tenant intends to use AFDC emergency assistance to pay part or all of the security deposit or rent.

(f) If an owner chooses not to abide by any terms and conditions, established by the mortgagee or contract holder under paragraph (d), clause (3), the owner must disclose notice of the foreclosure sale, contract for deed cancellation, or repossession as required under paragraphs (b) and (c).

(g) Except as provided in paragraph (d), if an owner, agent, or other person acting under the owner's direction or control has failed to disclose notice of the mortgage foreclosure sale, contract for deed cancellation, or repossession, as required under paragraphs (b) and (c), the tenant is entitled to remedies provided by section 8.31, subdivision 3a, and other equitable relief as determined by the court.

#### Sec. 4. [504.246] [DISCLOSURE REQUIRED FOR OUTSTANDING INSPECTION AND CONDEMNATION ORDERS.]

Subdivision 1. [DISCLOSURE TO TENANT.] (a) Except as provided in subdivision 3, a landlord, agent, or person acting under the landlord's

direction or control shall provide a copy of all outstanding inspection orders pertaining to a rental unit or common areas specifying code violations issued under section 566.19 that the housing inspector identifies as requiring notice because the violations threaten the health or safety of the tenant, and all outstanding condemnation orders and declarations that the premises are unfit for human habitation to:

(1) a tenant, as defined in section 566.18, either by delivery or by United States mail, postage prepaid, within 72 hours after the time allowed to complete the repairs, including any extension of the deadline, has expired;

(2) a person before signing a lease or paying rent or a security deposit to begin a new tenancy; and

(3) a person prior to obtaining new ownership of the property subject to the order or declaration.

The housing inspector shall indicate on the inspection order whether notice to a tenant or prospective tenant is required under this paragraph.

(b) If an inspection order does not involve code violations that threaten the health or safety of tenants, the landlord, agent, or person acting under the landlord's control shall post a summary of the inspection order in a conspicuous place in each building affected by the inspection order, along with a notice that the inspection order is available for review upon request of a tenant or prospective tenant. Upon request, a copy of the inspection order must be provided or made available for inspection in the building affected by the order.

Subd. 2. [PENALTY.] If the landlord, agent, or person acting under the landlord's direction or control violates this section, the tenant is entitled to remedies provided by section 8.31, subdivision 3a, and other equitable relief as determined by the court.

Subd. 3. [EXCEPTION.] A landlord, agent, or person acting under the landlord's direction or control is not in violation of this section if:

(1) the landlord, agent, or person acting under the landlord's direction or control has received only an initial order to repair;

(2) the time allowed to complete the repairs, including any extension of the deadline, has not yet expired; and

(3) the landlord, agent, or person acting under the landlord's direction or control completes the repairs within the time given to repair, including any extension of the deadline.

Subd. 4. [LANDLORD'S DEFENSE.] It is an affirmative defense in an action brought under this section for the landlord, agent, or person acting under the landlord's control to prove that disclosure was made as required under subdivision 1.

Sec. 5. Minnesota Statutes 1992, section 504.29, is amended by adding a subdivision to read:

Subd. 6. [PROPER IDENTIFICATION.] "Proper identification" means information generally considered sufficient to identify a person, including a Minnesota driver's license, a Minnesota identification card, other forms of identification provided by a unit of government, a notarized statement of

*identity with a specimen signature of the person, or other reasonable form of identification.*

Sec. 6. Minnesota Statutes 1992, section 504.30, subdivision 1, is amended to read:

Subdivision 1. [DISCLOSURES REQUIRED.] (a) Upon request and proper identification, a tenant screening service must disclose the following information to an individual:

(1) the nature and substance of all information in its files on the individual at the time of the request; and

(2) the sources of the information.

A tenant screening service must make the disclosures to an individual without charge if information in a tenant report has been used within the past 30 days to deny the rental or increase the security deposit or rent of a residential housing unit to the individual. If the tenant report has not been used to deny the rental or increase the rent or security deposit of a residential housing unit within the past 30 days, the tenant screening service may impose a reasonable charge for making the disclosure required under this section. The tenant screening service must notify the tenant of the amount of the charge before furnishing the information. The charge may not exceed the amount that the tenant screening service would impose on each designated recipient of a tenant report, except that no charge may be made for notifying persons of the deletion of information which is found to be inaccurate or which can no longer be verified.

(b) Files maintained on a tenant must be disclosed promptly as established in clauses (1) to (4).

(1) A tenant file must be disclosed in person, at the location where the tenant screening service maintains its files, if the tenant appears in person and furnishes proper identification at that time.

(2) A tenant file must be disclosed by mail, if the tenant makes a written request with proper identification for a copy of the information contained in the tenant report and requests that the information be sent to a specified address. A disclosure made under this clause must be deposited in the United States mail, postage prepaid, within five business days after the written request for disclosure is received by the tenant screening service. A tenant screening service complying with a request for disclosure under this clause is not liable for disclosures to third parties caused by mishandling mail, provided that the tenant file information is mailed to the address specified by the tenant in the request.

(3) A summary of the information in a tenant file must be disclosed by telephone, if the tenant has made a written request with proper identification for telephone disclosure.

(4) Information in a tenant's file required to be disclosed in writing under this subdivision may be disclosed in any other form including electronic means if authorized by the tenant and available from the tenant screening service.

Sec. 7. Minnesota Statutes 1992, section 504.33, subdivision 5, is amended to read:

Subd. 5. [LOW-INCOME HOUSING.] (a) "Low-income housing" means either:

(1) rental housing with a rent less than or equal to 30 percent of 50 percent of the median income for the county in which the rental housing is located, adjusted by size; or

(2) rental housing occupied by households with income below 50 percent of the median income for the county in which the rental housing is located, adjusted by size.

Clause (2) does not apply in Minneapolis and St. Paul unless the vacancy rate in the city is three percent or less.

(b) "Low-income housing" also includes rental housing that has been vacant for less than two years, that was low-income housing when it was last occupied, and that is not condemned as being unfit for human habitation by the applicable government unit.

Sec. 8. Minnesota Statutes 1992, section 504.34, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL REPORT REQUIRED.] A government unit shall prepare ~~an annual~~ a housing impact report either:

(1) for each year in which the government unit displaces ten or more units of low-income housing in a city of the first class as defined in section 410.01; or

(2) when a specific project undertaken by a government unit for longer than one year displaces a total of ten or more units of low-income housing in a city of the first class as defined in section 410.01.

Sec. 9. Minnesota Statutes 1992, section 504.34, subdivision 2, is amended to read:

Subd. 2. [DRAFT ANNUAL HOUSING IMPACT REPORT.] A government unit subject to this section must prepare a draft annual housing impact report for review and comment by interested persons. The draft report must be completed by January 31 of the year immediately following a year in which the government unit has displaced ten or more units of low-income housing in a city. *For a housing impact report required under subdivision 1, clause (2), the draft report must be completed by January 31 of the year immediately following the year in which the government unit has displaced a cumulative total of ten units of low-income housing in a city.*

Sec. 10. Minnesota Statutes 1992, section 566.18, subdivision 2, is amended to read:

Subd. 2. [TENANT.] "Tenant" means any person who is occupying a dwelling in a building as defined in subdivision 7, under any agreement, lease, or contract, whether oral or written, and for whatever period of time, which requires the payment of ~~moneys~~ money or exchange of services as rent for the use of the dwelling unit, and all other regular occupants of that dwelling unit, and any resident of a manufactured home park.

Sec. 11. Minnesota Statutes 1992, section 566.18, subdivision 7, is amended to read:

Subd. 7. [BUILDING.] "Building" means:

(a) ~~any~~ a building used in whole or in part as a dwelling, including single family homes, multiple family units such as apartments, and structures containing both dwelling units and units used for nondwelling purposes, and also includes a manufactured home park, or

(b) ~~any~~ an unoccupied building which was previously used in whole or in part as a dwelling and which constitutes a nuisance under section 561.01.

Sec. 12. [EFFECTIVE DATE.]

*Section 1 is effective August 1, 1993, for new or renewed tenancy beginning on or after August 1, 1993."*

Delete the title and insert:

"A bill for an act relating to housing; requiring owner to furnish a tenant with a copy of a written lease; requiring disclosure of contract for deed cancellation or mortgage foreclosure sale; requiring disclosure of inspection and condemnation orders; modifying procedure for tenant file disclosure by tenant screening services; modifying low-income housing; providing penalties; amending Minnesota Statutes 1992, sections 504.22, subdivision 2; 504.29, by adding a subdivision; 504.30, subdivision 1; 504.33, subdivision 5; 504.34, subdivisions 1 and 2; and 566.18, subdivisions 2 and 7; proposing coding for new law in Minnesota Statutes, chapter 504."

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Amendments adopted. Report adopted.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 1332: A bill for an act relating to children; foster care and adoption placement; specifying time limits for compliance with placement preferences; setting standards for changing out-of-home placement; requiring notice of certain adoptions; amending Minnesota Statutes 1992, sections 257.071, subdivision 1a; 259.255; 259.28, subdivision 2; 259.455; and 260.181, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 259.

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 1992, section 257.071, is amended by adding a subdivision to read:

*Subd. 1b. [LIMIT ON MULTIPLE PLACEMENTS.] If a child has been placed out of the home of the parent or parents pursuant to a court order under section 260.191, the social service agency responsible for the residential facility placement for the child may not change the child's foster care placement more than one time unless the agency specifically documents that the current placement is unsuitable or another placement is in the best interests of the child. This subdivision does not apply if the new placement is in an adoptive home or other permanent placement.*

Sec. 2. Minnesota Statutes 1992, section 257.071, is amended by adding a subdivision to read:

*Subd. 2a. [ABANDONMENT; TERMINATION OF PARENTAL RIGHTS PETITION.] If the social service agency responsible for the placement of a child finds that abandonment of the child by a parent may be presumed under section 260.221, subdivision 1, paragraph (b), clause (1), the agency shall file a petition for termination of parental rights under section 260.231.*

Sec. 3. Minnesota Statutes 1992, section 257.072, subdivision 1, is amended to read:

Subdivision 1. [RECRUITMENT OF FOSTER FAMILIES.] Each authorized child placing agency shall make special efforts to recruit a foster family from among the child's relatives, except as authorized in section 260.181, subdivision 3, and among families of the same minority racial or minority ethnic heritage. Special efforts include contacting and working with community organizations and religious organizations *and which may include contracting with these organizations*, utilizing local media and other local resources, conducting outreach activities, and increasing the number of minority recruitment staff employed by the agency. *The requirement of special efforts to recruit a foster family from among the child's relatives is satisfied if the efforts have continued for six months.* The agency may accept any gifts, grants, offers of services, and other contributions to use in making special recruitment efforts.

Sec. 4. Minnesota Statutes 1992, section 257.072, is amended by adding a subdivision to read:

*Subd. 9. [RULES.] The commissioner of human services shall adopt rules to establish standards for conducting relative searches and determining the suitability of proposed relative placements. The standards need not impose on relatives all the requirements for foster care licensing but must ensure that the child's health, safety, and welfare are safeguarded.*

Sec. 5. Minnesota Statutes 1992, section 259.455, is amended to read:

259.455 [FAMILY RECRUITMENT.]

Each authorized child placing agency shall make special efforts to recruit an adoptive family from among the child's relatives, except as authorized in section 259.28, subdivision 2, and among families of the same racial or ethnic heritage. Special efforts include contacting and working with community organizations and religious organizations *and which may include contracting with these organizations*, utilizing local media and other local resources, and conducting outreach activities. *The requirement of special efforts to recruit an adoptive family from among the child's relatives is satisfied if the efforts have continued for six months.* The agency may accept any gifts, grants, offers of services, and other contributions to use in making special recruitment efforts.

Sec. 6. Minnesota Statutes 1992, section 260.191, subdivision 1d, is amended to read:

Subd. 1d. [PARENTAL VISITATION.] If the court orders that the child be placed outside of the child's home or present residence, it shall set reasonable rules for supervised or unsupervised parental visitation that contribute to the objectives of the court order and the maintenance of the familial relationship. No parent may be denied visitation unless the court finds at the disposition hearing that the visitation would act to prevent the achievement of the order's objectives or that it would endanger the child's physical or emotional well-being. *The court shall set reasonable rules for visitation for any relatives*

as defined in section 260.181, subdivision 3, if visitation is consistent with the best interests of the child.

Sec. 7. Minnesota Statutes 1992, section 260.191, subdivision 2, is amended to read:

Subd. 2. [ORDER DURATION.] *Subject to section 260.191, subdivision 3a, all orders under this section shall be for a specified length of time set by the court not to exceed one year. However, before the order has expired and upon its own motion or that of any interested party, the court shall, after notice to the parties and a hearing, renew the order for another year or make some other disposition of the case, until the individual is no longer a minor. Any person to whom legal custody is transferred shall report to the court in writing at such periods as the court may direct.*

Sec. 8. Minnesota Statutes 1992, section 260.191, is amended by adding a subdivision to read:

Subd. 3a. [COURT REVIEW OF OUT-OF-HOME PLACEMENTS.] *If the court places a child out of the home of the parent or parents pursuant to an order under this section, including a continuance under subdivision 4, the court shall review the out-of-home placement at least every six months to determine whether continued out-of-home placement is necessary and appropriate or whether the child should be returned to the parent. The court shall review agency efforts pursuant to section 257.072, subdivision 1, and order that the efforts continue if the agency has failed to perform the duties under that section. The court shall review the case plan and may modify the case plan as provided under subdivisions 1e and 2. If the court orders continued out-of-home placement, the court shall notify the parents of the provisions of section 260.191, subdivision 3b.*

Sec. 9. Minnesota Statutes 1992, section 260.191, is amended by adding a subdivision to read:

Subd. 3b. [REVIEW OF COURT ORDERED PLACEMENTS; PERMANENT PLACEMENT DETERMINATION.] *For any child placed outside of the home pursuant to section 260.191, the court shall conduct a hearing to determine the future status of the child not later than 12 months after the order. The court shall determine whether the child is to be returned to the parent or, if not, whether the child should be placed permanently in the following order of priority consistent with the child's best interests:*

- (1) with relatives either through an award of legal custody or adoption;
- (2) with adoptive parent or parents; and
- (3) long-term foster care.

*The court may extend the time period for determination of permanent placement to 18 months after the order when:*

- (1) there is a substantial probability that the child will be returned to the home of the parent or parents within the next six months; or
- (2) the agency has not made reasonable, or in the case of an Indian child, active efforts to correct the conditions that form the basis of the out-of-home placement. The "best interests of the child" means all relevant factors to be considered and evaluated. These factors must include, but are not limited to:

- (i) *the wishes of the genetic parent or parents as to placement;*
- (ii) *the relationship between the child and relatives, and the child and any other person who may significantly affect the child's best interests;*
- (iii) *the child's adjustment to home, school, and community and the ability to adjust to a proposed home, school, and community;*
- (iv) *the child's religious, racial, or ethnic background;*
- (v) *in cases where the prospective adoptive parent or parents are not of the same religious, racial, or ethnic background, the ability of the proposed family to be appreciative of and knowledgeable about, the child's religious, racial, or ethnic heritage, and to continue raising and educating the child in that heritage;*
- (vi) *the capacity and disposition of the proposed family to give the child love, affection, and guidance;*
- (vii) *the reasonable preference of the child, if the court deems the child of sufficient age to express a preference; and*
- (viii) *the length of time the child has lived in a stable, satisfactory environment and the desirability of maintaining continuity and stability for the child.*

Sec. 10. Minnesota Statutes 1992, 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 *on a regular basis and no demonstrated, consistent interest in the child's well-being 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 14;* 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:

(i) the child was adjudicated in need of protection or services due to circumstances described in section 260.015, subdivision 2a, clause (1), (2), (3), (5), or (8); and

(ii) within the three-year period immediately prior to that adjudication, the parent's parental rights to one or more other children were involuntarily terminated under clause (1), (2), (4), or (7) of this paragraph, or under clause (5) of this paragraph if the child was initially determined to be in need of protection or services due to circumstances described in section 260.015, subdivision 2a, clause (1), (2), (3), (5), or (8); 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 diagnosed as chemically dependent by a professional certified to make the diagnosis;

(ii) the parent has been required by a case plan to participate in a chemical dependency treatment program;

(iii) the treatment programs offered to the parent were culturally, linguistically, and clinically appropriate;

(iv) the parent has either failed two or more times to successfully complete a treatment program or has refused at two or more separate meetings with a caseworker to participate in a treatment program; and

(v) the parent continues to abuse chemicals.

Provided, that this presumption applies only to parents required by a case plan to participate in a chemical dependency treatment program on or after July 1, 1990; 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

(8) That the child is neglected and in foster care.

In an action involving an American Indian child, sections 257.35 to 257.3579 and the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, control to the extent that the provisions of this section are inconsistent with those laws.

#### Sec. 11. [REPORT.]

*The commissioner of human services shall prepare a report for the legislature which includes a comprehensive plan to ensure compliance by county social services departments with the foster care and adoption placement statutes and rules. This report shall provide both incentives and sanctions for county compliance and also address the feasibility of providing hearings for families affected by the foster care and adoption rules and statutes in the administrative process. The report is due by February 15, 1994."*

Delete the title and insert:

"A bill for an act relating to children; providing time periods for permanent dispositions involving children in need of protection or services; limiting multiple foster care placements; defining special efforts for relative searches; establishing standards for a finding of abandonment; amending Minnesota Statutes 1992, sections 257.071, by adding subdivisions; 257.072, subdivision 1, and by adding a subdivision; 259.455; 260.191, subdivisions 1d, 2, and by adding subdivisions; and 260.221, subdivision 1."

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 Crime Prevention, to which was referred

S.F. No. 1046: 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.

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 1992, section 488A.101, is amended to read:

488A.101 [COUNTY ATTORNEY AS PROSECUTOR, NOTICE TO COUNTY.]

A municipality or other subdivision of government seeking to use the county attorney for violations enumerated in section 488A.10, subdivision 11 shall notify the county board of its intention to use the services of the county attorney at least 60 days prior to the adoption of the board's annual budget each year. *A municipality may enter into an agreement with the county board and the county attorney to provide prosecution services for any criminal offense on a case-by-case basis.*

Sec. 2. [609.749] [INTERFERENCE WITH ACCESS TO MEDICAL FACILITIES; PENALTY.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them.*

(a) *“Medical facility” means a hospital or other health institution licensed under sections 144.50 to 144.56 or defined in section 144.561, or an agency, clinic, or office operated under the direction of the commissioner of health or a community health board, as defined in section 145A.02.*

(b) *“Person” does not include:*

- (1) *the chief executive officer of the medical facility;*
- (2) *a designee of the chief executive officer of the medical facility;*
- (3) *an agent of the medical facility; or*
- (4) *a law enforcement officer.*

*Subd. 2. [OBSTRUCTING ACCESS PROHIBITED.] A person is guilty of a gross misdemeanor who intentionally and physically obstructs or attempts to obstruct any individual's access to or from a medical facility.*

*Subd. 3. [NOT APPLICABLE.] Nothing in this section shall be construed to impair the right of any individual or group to engage in speech protected by the United States Constitution, the Minnesota Constitution, or federal or state law, including but not limited to peaceful and lawful picketing.*

*Subd. 4. [CIVIL REMEDIES.] (a) A party who is aggrieved by an act prohibited by this section may bring an action for damages, injunctive or declaratory relief, as appropriate, in district court against any person or entity who has violated or has conspired to violate this section.*

*(b) A party who prevails in a civil action under this subdivision is entitled to recover from the violator damages, costs, attorney fees, and other relief as*

determined by the court. In addition to all other damages, the court may award to the aggrieved party a civil penalty of up to \$1,000 for each violation.

(c) The remedies provided by this subdivision are in addition to any other legal or equitable remedies the aggrieved party may have and are not intended to diminish or substitute for those remedies or to be exclusive.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment and apply to acts committed on or after that date."

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; authorizing civil and equitable remedies; amending Minnesota Statutes 1992, section 488A.101; proposing coding for new law in Minnesota Statutes, chapter 609."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 286: A bill for an act relating to elections; providing for a voter information program; appropriating money; amending Minnesota Statutes 1992, sections 204B.27, by adding subdivisions; and 211B.06, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1

Page 2, line 28, delete "9" and insert "8"

Page 3, delete section 3

Page 3, line 11, delete "sections 1 and 2" and insert "section 1"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section"

Page 1, delete line 5 and insert "a subdivision."

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 421: A bill for an act relating to towns; providing that town elections may take place on the general election day; amending Minnesota Statutes 1992, sections 365.51, subdivisions 1 and 3; and 365.59.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, after "shortened" insert "terms"

Page 2, line 9, delete "lengthened" and after "terms" insert "that have been lengthened from March to November of the same year".

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 754: A bill for an act relating to elections; requiring annual removal of registration cards of deceased registrants; requiring annual update of the statewide registration system; amending Minnesota Statutes 1992, section 201.13.

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 1992, section 201.13, is amended to read:

201.13 [~~VOTER REGISTRATION CARD REMOVAL REPORT OF DECEASED VOTERS; CHANGES TO VOTER RECORDS.~~]

Subdivision 1. [COMMISSIONER OF HEALTH, REPORTS OF DECEASED RESIDENTS.] The commissioner of health shall report monthly to the secretary of state the name, address, date of birth, and county of residence of each individual 18 years of age or older who has died while maintaining residence in Minnesota since the last previous report. The secretary of state shall determine if any of the persons listed in the report are registered to vote and shall prepare a list of those registrants for each county auditor. *Within 60 days after receiving the list from the secretary of state*, the county auditor shall change the status of those registrants to "deceased" in the statewide registration system. ~~Upon receipt of the list, the county auditor shall and remove from the files the registration cards of the voters reported to be deceased and make the appropriate changes in the statewide registration system.~~

Subd. 2. [~~VOTER REGISTRATION CARD REMOVAL RECORD CHANGES FOR DECEASED NONRESIDENTS.~~] *Within 60 days after receiving notice of death of a voter who has died outside the county*, the county auditor ~~may~~ shall change the voter's status to "deceased" and remove from the files the ~~original and duplicate~~ voter's registration cards of voters who have died outside of the county, after receiving notice of death. Notice must be in the form of a printed obituary or a written statement signed by a registered voter of the county. ~~The county auditor shall also make the appropriate changes in the data base of the central registration system when voter registration cards are removed from the files.~~

Amend the title as follows:

Page 1, lines 2 and 4, delete "annual"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1423: A bill for an act relating to energy; providing for renewable energy production incentives; providing for low-income consideration in setting certain utility rates; authorizing rulemaking; appropriating money; amending Minnesota Statutes 1992, section 216B.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216C.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, lines 13 and 14, delete "*The commissioner may adopt rules necessary to implement this section.*"

Page 3, line 13, delete "2" and insert "1"

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 "amending"

Page 1, delete line 6

Page 1, line 7, delete "subdivision;"

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 894: A bill for an act relating to agriculture; imposing licensing requirements for general merchandise storage warehouses; providing bond claim procedures; amending Minnesota Statutes 1992, sections 231.01, by adding a subdivision; 231.11; 231.12; 231.13; 231.14; 231.17; and 231.18; repealing Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33.

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 1992, section 231.01, is amended by adding a subdivision to read:

*Subd. 9. [HOUSEHOLD GOODS.] "Household goods" means personal effects and property used or to be used in a dwelling if it is part of the equipment or supply of the dwelling.*

Sec. 2. Minnesota Statutes 1992, section 231.11, is amended to read:

231.11 [SCHEDULE OF RATES; *STORING HOUSEHOLD GOODS.*]

In order to insure nondiscriminatory rates and charges for all depositors of household goods, the commissioner shall establish a collective rate-making

procedure which will insure the publication and maintenance of just and reasonable rates and charges under uniform, reasonably related rate structures. These procedures shall provide for the joint consideration, initiation, and establishment of rates and charges, and shall assure that the respective revenues and expenses of warehouse operators engaged in warehouse services for *household goods* are ascertained. Any participating warehouse operator party to a collectively mandated rate or charge has the right to petition the commissioner for the establishment of a rate or charge which deviates from the collectively set rate. Upon receiving the commissioner's approval, that warehouse operator may proceed to establish the requested rate or charge. All warehouse operators subject to rate regulation under this chapter must comply with the commissioner's rate-making procedures. No warehouse operator shall undertake to perform any service, or store any *household goods, wares, or merchandise*, until a schedule of rates has been filed and published in accordance with this chapter. In case of emergency, however, a service or storage not specifically covered by the schedules filed, may be performed or furnished at a reasonable rate, which must then be promptly filed, and which is subject to review in accordance with this chapter.

Sec. 3. Minnesota Statutes 1992, section 231.12, is amended to read:

231.12 [CHANGE OF RATES; *STORING HOUSEHOLD GOODS.*]

Unless the department otherwise orders, no warehouse operator *storing household goods* may change any rate except after ten days' notice to the department and to the public pursuant to this section. Notice shall be given by filing with the department and keeping open for public inspection new schedules or supplements stating plainly the changes to be made in the schedules then in force and the time when the changes will go into effect. The department for good cause shown, may, after hearing, allow changes without requiring the ten days' notice by an order specifying the changes to be made, the time when they shall take effect, and the manner in which they shall be filed and published.

Sec. 4. Minnesota Statutes 1992, section 231.13, is amended to read:

231.13 [CHARGING MORE OR LESS THAN THE PUBLISHED RATE; *STORING HOUSEHOLD GOODS.*]

Except as specified in sections 231.11 and 231.12, no warehouse operator *storing household goods* shall have, demand, collect, or receive, a greater or less or different compensation for any service rendered or for storing any *household goods, wares, or merchandise* than the rates applicable to such service or storage, as specified in the schedules of rates on file with the commissioner and in effect at the time.

When a warehouse operator shall have had *household goods* in store for such a period that the storage charges thereon accumulated are more than such *household goods* would bring at a forced sale, the department, upon written application and proof thereof, may authorize such warehouse operator to compromise such charges for a sum not less than the amount which such *household goods* would bring at such forced sale.

Sec. 5. Minnesota Statutes 1992, section 231.14, is amended to read:

231.14 [DISCRIMINATION IN RATES; *STORING HOUSEHOLD GOODS.*]

Except as herein otherwise specified, no warehouse operator *storing household goods*, or any officer, agent, or employee thereof, shall, directly or indirectly, by remittance, rebate, or any device, inducement, or other means,

suffer or permit any corporation or person to obtain any service, or the storage of any ~~household goods, wares, or merchandise~~, at less than the rates then established and in force as shown by the schedule of rates filed and in effect at the time. No person or corporation shall, directly or indirectly, by any device, inducement, or means, either with or without the consent or connivance of a warehouse operator storing household goods, or any of the officers, agents, or employees thereof, obtain, or seek to obtain, any service, or the storage of any ~~household goods, wares, or merchandise~~, at less than the rates then established and in force therefor. Any warehouse operator storing household goods, or the officers, agents, or employees thereof, or any person acting for or employed by it, or transacting business with it, or any other person, who shall violate any provision of this section, shall be guilty of a gross misdemeanor; and, upon conviction, subject to imprisonment not exceeding one year or to a fine not exceeding \$3,000, or both.

Sec. 6. Minnesota Statutes 1992, section 231.17, is amended to read:

231.17 [BONDS OF WAREHOUSE OPERATORS.]

Every warehouse operator applying for and receiving a license from the department, as provided for in this chapter, shall file with the department, acceptable to the department, a surety bond to the state of Minnesota. Such bonds shall be in an amount to be determined by the department as reasonable for the applicant but shall not be less than \$10,000 and.

*The bond shall be conditioned for the faithful discharge of all duties as a warehouse operator operating under this chapter, and full compliance with the laws of the state and rules and orders of the department relative thereto. Failure to maintain the bond as required shall void the license.*

*The bond must be continuous until canceled. To cancel a bond, the surety must provide 90 days' written notice of the bond's termination date to the licensee and the department.*

*In lieu of the bond required by this section, the applicant may deposit with the state treasurer cash; a certified check; a cashier's check; a postal, bank, or express money order; assignable bonds or notes of the United States; or an assignment of bank savings account or investment certificate or an irrevocable bank letter of credit as defined in section 336.5-103, in the same amount as would be required for a bond.*

Sec. 7. Minnesota Statutes 1992, section 231.18, is amended to read:

231.18 [~~PROCEEDINGS BEFORE THE DEPARTMENT, HOW COMMENCED CLAIMS AGAINST A BOND.~~]

~~Proceedings before the department against any warehouse operator shall be instituted by complaint, verified as pleadings in a civil action, stating in ordinary language the facts constituting the alleged omission or offense. The parties to such proceeding shall be termed, respectively, complainant and respondent. Subdivision 1. [FILING A CLAIM.] A depositor claiming to be damaged by the breach of an agreement to store general merchandise and household goods must file a claim with the department within 180 days of the date of breach.~~

*Subd. 2. [FORM OF CLAIM.] All claims must be in writing, must state the facts upon which the claim is based, must include any supporting evidence, and must be signed by the claimant. The supporting evidence may consist of,*



but is not limited to, a bill of lading, a warehouse receipt, a contract form, correspondence, or photographs.

Subd. 3. [WHERE TO FILE.] All claims must be filed at the following address: Minnesota Department of Agriculture, Grain Licensing and Auditing Division, 316 Grain Exchange Building, Minneapolis, Minnesota 55415.

Subd. 4. [BOND LIMITATIONS.] The bonds are not cumulative from one year to the next. A claim against the bond may only be made against the bond in effect at the time the agreement is breached. A bond is not liable for claims filed after 180 days from the date of the breach of the bond.

Subd. 5. [PUBLIC NOTICE OF A CLAIM.] Upon determining that a depositor has filed a valid claim, the department shall publish notice of the claim in the official county newspaper of the county in which the licensee's place of business is located.

The notice must state that a claim against the bond of a licensee has been filed with the department, the name and address of the licensee, that any additional claims should be filed with the department, the bond disbursement date, and where the claims should be filed.

The public notice of the claim must appear for three consecutive days in newspapers with a daily circulation and for two consecutive publications in newspapers published less than daily.

Subd. 6. [BOND DISBURSEMENT.] (a) Upon expiration of the claim filing period, the department shall promptly determine the validity of all claims filed and notify the claimants of the determination. An aggrieved party may appeal the department's determination by requesting, within 15 days, that the department initiate a contested case proceeding. In the absence of such a request, or following the issuance of a final order in a contested case, the surety company shall issue payment promptly to those claimants entitled to payment.

(b) If a warehouse operator has become liable to more than one depositor by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all depositors entitled to the protection of the bond, the proceeds of the bond shall be apportioned among the bona fide claimants.

#### Sec. 8. [STUDY.]

The commissioner shall, after a study of the existing bonding structure and after consultation with the warehousing industry, make recommendation to the legislature by February 1, 1994.

#### Sec. 9. [REPEALER.]

Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33, are repealed."

Delete the title and insert:

"A bill for an act relating to agriculture; imposing licensing requirements for general merchandise storage warehouses; providing bond claim procedures; amending Minnesota Statutes 1992, sections 231.01, by adding a subdivision; 231.11; 231.12; 231.13; 231.14; 231.17; and 231.18; repealing

Minnesota Statutes 1992, sections 231.19; 231.20; 231.21; 231.22; 231.23; 231.25; 231.26; 231.27; 231.29; 231.30; 231.31; and 231.33.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 338: A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 22, delete “ESTABLISHMENT” and insert “PUBLIC CORPORATION”

Page 1, line 23, delete “*established as*”

Page 2, delete lines 6 to 21 and insert:

“*Subd. 3. [BOARD OF DIRECTORS.] The corporation is governed by a board of 14 directors. The membership terms, compensation, removal, and filling of vacancies of public members of the board are governed by section 15.0575 except that the terms of the public members are concurrent. The membership of the board consists of the commissioner of trade and economic development or the commissioner’s designee and 13 members who are:*

*(1) involved in economic development within the state of Minnesota;*

*(2) selected by the membership of the corporation in accordance with section 4, subdivision 3; and*

*(3) representative of government, private-sector lending institutions, community organizations, and business organizations as described in Code of Federal Regulation, title 13, section 108.503-1(b)(2), as amended.”*

Page 2, line 22; delete “5” and insert “4”

Page 2, line 25, delete “6” and insert “5”

Page 2, line 27, delete “7” and insert “6”

Page 2, line 31, delete “9” and insert “8”

Page 3, line 4, delete “8” and insert “7”

Page 3, line 6, delete “7” and insert “6”

Page 3, line 14, delete “9” and insert “8”

Page 3, line 28, delete “10” and insert “9”

Page 3, line 33, delete “11” and insert “10”

Page 4, line 2, after the period, insert "*The executive director's compensation may not exceed 95 percent of the salary of the governor set under section 15A.082.*"

Page 4, line 18, delete "11" and insert "10"

Page 5, delete lines 5 to 13 and insert:

"Subd. 3. [MEMBERSHIP] *The governor shall appoint at least 25 members of the corporation, who must be representatives of government, private-sector lending institutions, community organizations, and business organizations, as described in Code of Federal Regulations, title 13, section 108.503-1(d), as amended. The membership shall select the members of the board of directors in accordance with section 2, subdivision 3. The board may submit names of persons for consideration by the governor in filling vacancies in the membership under this subdivision.*"

Page 5, line 19, delete "created" and insert "an account"

Page 5, delete line 30

Page 5, line 31, delete "legislature" and insert "*committee on commerce and economic development of the house of representatives and the committee on jobs, energy and community development of the senate*"

Page 6, after line 21, insert:

"Sec. 11. [TERMS OF INITIAL BOARD MEMBERS.]

*The terms of the first members of the board of directors selected under section 2, subdivision 3, end on the first Monday in January, 1997.*"

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

H.F. No. 1100: A bill for an act relating to insurance; regulating the health coverage reinsurance association; amending Minnesota Statutes 1992, sections 62L.02, by adding a subdivision; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 2, 4, 6, and 7; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.19; and 62L.20, subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 1000, 746, 1504, 561, 519, 255, 773, 391, 421, 754 and 894 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 846, 1527, 804, 507, 795, 55, 654, 381, 86 and 1100 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Finn moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1201. The motion prevailed.

Ms. Berglin moved that the name of Ms. Anderson be added as a co-author to S.F. No. 1548. The motion prevailed.

Ms. Berglin moved that the name of Ms. Anderson be added as a co-author to S.F. No. 1550. The motion prevailed.

Ms. Berglin moved that the name of Mr. Langseth be added as a co-author to S.F. No. 1552. The motion prevailed.

Mr. Stumpf moved that S.F. No. 124 be withdrawn from the Committee on Education and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mrs. Adkins and Mr. Stumpf introduced—

Senate Resolution No. 35: A Senate resolution honoring Brian Stumpf for his bravery and service to his fellow Minnesotans during an emergency rescue.

Referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved that S.F. No. 29 be withdrawn from the Committee on Rules and Administration, and that the Committee Report from the Committee on Education be adopted; that committee recommendation be: "the bill be amended and when so amended the bill do pass and re-referred to the Committee on Jobs, Energy and Community Development". The motion prevailed. Amendments adopted. Report adopted.

Mr. Stevens moved that S.F. No. 894, on General Orders, be stricken and re-referred to the Committee on Governmental Operations and Reform. The motion prevailed.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Mses. Ranum, Anderson, Messrs. McGowan, Marty and Kelly introduced—

S.F. No. 1593: A bill for an act relating to crime; eliminating the defense of mistake of age or consent for persons who are prosecuted for a prostitution offense; amending Minnesota Statutes 1992, section 609.325, subdivision 2.

Referred to the Committee on Crime Prevention.

Ms. Ranum, Mr. Janezich, Ms. Wiener, Mr. Knutson and Ms. Pappas introduced—

S.F. No. 1594: A bill for an act relating to education; establishing an early intervention reading program to help underachieving first grade students develop effective reading strategies; requiring teacher applicants to complete a reading course; permitting teachers renewing their license to receive credit for reading seminars; permitting staff development revenue to be used for

reading programs; amending Minnesota Statutes 1992, sections 125.05, subdivisions 1a and 2; and 126.70, subdivisions 1 and 2a; proposing coding for new law in Minnesota Statutes, chapter 121.

Referred to the Committee on Education.

Mr. Cohen introduced—

S.F. No. 1595: A bill for an act relating to taxation; increasing the rate of the tax on sales at the international airport; increasing the rate of the sales tax on hotels in the metropolitan area; providing that the revenues are used for support of nonprofit arts organizations; amending Minnesota Statutes 1992, section 297A.02, by adding subdivisions; Laws 1986, chapter 396, section 5.

Referred to the Committee on Taxes and Tax Laws.

Ms. Anderson and Mr. Chandler introduced—

S.F. No. 1596: A bill for an act relating to housing; modifying replacement housing; amending Minnesota Statutes 1992, section 504.33, subdivision 7.

Referred to the Committee on Jobs, Energy and Community Development.

Ms. Wiener introduced—

S.F. No. 1597: A bill for an act relating to commerce; regulating collection agencies; modifying prohibited practices; requiring notification to the commissioner upon certain employee terminations; repealing inconsistent surety bond and term and fee rules; regulating credit services organizations; modifying registration and bond requirements; modifying enforcement powers; amending Minnesota Statutes 1992, sections 332.37; 332.54, subdivision 1, and by adding subdivisions; 332.55; and 332.59; proposing coding for new law in Minnesota Statutes, chapter 332; repealing Minnesota Rules, parts 2870.1300; and 2870.1600.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Lessard introduced—

S.F. No. 1598: A bill for an act relating to game and fish; modifying provisions relating to hunting by disabled persons; amending Minnesota Statutes 1992, sections 97B.045; and 97B.111.

Referred to the Committee on Environment and Natural Resources.

Mr. Metzen introduced—

S.F. No. 1599: A bill for an act relating to taxation; providing for the time of payment of refunds of taxes by school districts; proposing coding for new law in Minnesota Statutes, chapter 276.

Referred to the Committee on Taxes and Tax Laws.

Mr. Benson, D.D. introduced—

S.F. No. 1600: A bill for an act relating to taxation; lodging; extending the tax to private campgrounds; amending Minnesota Statutes 1992, section 469.190, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Ms. Robertson, Messrs. Terwilliger and Knutson introduced—

S.F. No. 1601: A bill for an act relating to taxation; providing general property tax limitations for taxes payable in 1994; proposing coding for new law in Minnesota Statutes, chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Murphy, Luther and Mrs. Pariseau introduced—

S.F. No. 1602: A bill for an act relating to cemeteries; prohibiting relocation of cemeteries without the trustees' or owners' consent; proposing coding for new law in Minnesota Statutes, chapters 306; and 307.

Referred to the Committee on Veterans and General Legislation.

Mr. Solon, Ms. Piper, Messrs. Luther and Vickerman introduced—

S.F. No. 1603: A bill for an act relating to occupations and professions; creating the board of examiners for speech-language pathology and audiology and providing for its powers and duties; providing for the licensure and regulation of speech-language pathologists and audiologists; authorizing rulemaking; providing for penalties; appropriating money; amending Minnesota Statutes 1992, sections 214.01, subdivision 2; and 214.04, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 153B.

Referred to the Committee on Health Care.

Mr. Moe, R.D. introduced—

S.F. No. 1604: A bill for an act relating to the legislature; legislative commissions; increasing the membership of the legislative commission on Minnesota resources; amending Minnesota Statutes 1992, section 166P.05, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

### MEMBERS EXCUSED

Ms. Hanson was excused from the Session of today.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:30 a.m., Thursday, April 15, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRTY-SIXTH DAY

St. Paul, Minnesota, Thursday, April 15, 1993

The Senate met at 8:30 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. Gregory Isaacson.

The roll was called, and the following Senators answered to their names:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

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. 520, 783, 667, 824, 889, 477, 504, 104, 157, 945, 1153, 670 and 1404.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 14, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 520: A bill for an act relating to retirement; authorizing a second chance Medicare coverage referendum for certain public pension plan members.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 528, now on General Orders.

H.F. No. 783: A bill for an act relating to the city of Albert Lea; actuarial assumptions for the Albert Lea fire department relief association.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 656, now on General Orders.

H.F. No. 667: A bill for an act relating to volunteer firefighter relief associations; modifying the corporate registration requirement for relief associations complying with fire state aid financial reporting requirements; amending Minnesota Statutes 1992, sections 69.051, by adding a subdivision; and 317A.823, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 587, now on General Orders.

H.F. No. 824: A bill for an act relating to public safety; modifying excavation; modifying the notice requirement; amending Minnesota Statutes 1992, sections 116L.07, subdivision 2; 216D.01, subdivision 5; and 216D.04, subdivision 1.

Referred to the Committee on Jobs, Energy and Community Development.

H.F. No. 889: A bill for an act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; amending Minnesota Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 477: A bill for an act relating to traffic regulations; increasing the fine for child passenger restraint system violations; amending Minnesota Statutes 1992, section 169.685, subdivision 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 76, now on General Orders.

H.F. No. 504: A bill for an act relating to housing; allowing a county authority to operate certain public housing projects without a city resolution; providing that a housing and redevelopment authority may make down payment assistance loans; changing minimum amounts for certain contract



letting procedures; changing requirements for general obligation revenue bonds; amending Minnesota Statutes 1992, sections 469.005, subdivision 1; 469.012, by adding a subdivision; 469.015, subdivisions 1 and 2; and 469.034, subdivision 2.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 104: A bill for an act relating to Otter Tail county; allowing use of certain land in Otter Tail county.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 157: A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1279.

H.F. No. 945: A bill for an act relating to occupations and professions; modifying the membership of the board of nursing; requiring a certain examination for licensure of graduates from nursing programs in other countries; modifying requirements for a temporary permit; adding grounds for disciplinary action; amending Minnesota Statutes 1992, sections 148.181, subdivisions 1 and 3; 148.211, subdivision 1; 148.212; and 148.261, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 991, now on General Orders.

H.F. No. 1153: A bill for an act relating to civil actions; clarifying the limits on recovery for economic loss caused by components of manufactured goods; amending Minnesota Statutes 1992, section 604.10.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 984, now on General Orders.

H.F. No. 670: A bill for an act relating to insurance; health; regulating benefits for outpatient mental or nervous disorder treatment; amending Minnesota Statutes 1992, section 62A.152, subdivisions 2 and 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 769, now on General Orders.

H.F. No. 1404: A bill for an act relating to the city of New Brighton; permitting the city to acquire granular carbon without a bond.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1005, 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. 868. The motion prevailed.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

H.F. No. 1039: A bill for an act relating to auctioneers; prohibiting certain cities and towns from requiring additional licenses of persons licensed as auctioneers by a county; proposing coding for new law in Minnesota Statutes, chapter 330.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, after the period, insert "*This section does not prohibit a city of the first class or a city or a township within the seven-county metropolitan area from requiring permits to hold auctions.*"

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. 842: A bill for an act relating to state lands; exempting certain lakeshore lots from sale requirements; authorizing the commissioner of natural resources to acquire personal property; amending Minnesota Statutes 1992, section 92.67, 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. [HORSESHOE BAY LANDS RETAINED; ACQUISITION OF PERSONAL PROPERTY.]

(a) *This section applies to state lands located in section 16, township 62N, range 4E, Cook county.*

(b) *Notwithstanding Minnesota Statutes, section 92.67, the commissioner need not sell lands described in paragraph (a), even if a request for sale of the lands was received by the commissioner before the effective date of this section. The commissioner may acquire lessee-owned property, including cabins and outbuildings, located on the lands described in paragraph (a).*

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 state lands; exempting certain lakeshore lots from sale requirements; authorizing the commissioner of natural resources to acquire property."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 916: A bill for an act relating to economic development; clarifying provisions relating to the department of trade and economic development; clarifying the duties of the commissioner; providing certain duties for the rural development board and Minnesota Technology Inc.; amending Minnesota

Statutes 1992, sections 17.49, subdivision 1; 18.024, subdivision 1; 86.72, subdivision 3; 86A.06; 86A.09, subdivisions 1, 2, 3, and 4; 92.35; 92.36; 103F.135, subdivision 1; 116J.01, by adding a subdivision; 116J.402; 116J.58, subdivision 1; 116J.61; 116J.68, subdivision 2; 116J.873, subdivisions 3 and 4; 116J.966, subdivision 1; 116J.980, subdivisions 1 and 2; 137.31, subdivision 6; 138.93, subdivision 4; 144.95, subdivision 7; 173.17; 216B.242; 216C.37, subdivision 1; 299A.01, subdivision 2; 446A.03, subdivision 1; 446A.10, subdivision 2; 473.857, subdivision 2; 473H.06, subdivision 5; and 641.24; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1992, sections 84.54; 86A.10; 116J.01, subdivision 3; 116J.615, subdivision 2; 116J.645; 116J.661; 116J.982; 116J.983; 116J.984; 301A.01; 301A.02; 301A.03; 301A.04; 301A.05; 301A.06; 301A.07; 301A.08; 301A.09; 301A.10; 301A.11; 301A.12; 301A.13; and 301A.14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 25, insert:

#### "ARTICLE 1"

Page 7, line 4, delete "direct" and insert "be the director of"

Page 7, line 18, after "nonresident" insert "and resident"

Page 10, line 16, strike the second "and"

Page 10, line 21, before the period, insert "; and"

(17) provide business with information on the economic benefits of energy conservation and on the availability of energy conservation assistance"

Page 26, line 7, after "116J.982" insert ", subdivisions 6a, 8, and 9"

Page 26, after line 9, insert:

#### "ARTICLE 2"

Section 1. Minnesota Statutes 1992, section 116N.04, subdivision 1, is amended to read:

Subdivision 1. [GENERAL DUTIES.] The board shall investigate and evaluate new methods to enhance rural development, particularly methods relating to *energy conservation and economic diversification through private enterprises, including technologically innovative industries, value-added manufacturing, agriprocessing, information industries, and agricultural marketing, and renewable energy technologies.*

Sec. 2. Minnesota Statutes 1992, section 116O.02, subdivision 6, is amended to read:

Subd. 6. [TECHNOLOGY-RELATED ASSISTANCE.] "Technology-related assistance" means the transfer of technological information and technologies to assist in the development and production of new technology-related products or services or to increase the productivity or otherwise enhance the production or delivery of existing products or services. "Technology-related assistance" includes assistance in utilizing and developing processes and products that conserve energy.

Sec. 3. Minnesota Statutes 1992, section 116O.03, subdivision 1a, is amended to read:

Subd. 1a. [PURPOSE.] The purpose of the corporation is to foster long-term economic growth and job creation by stimulating innovation and the development of new products, services, and production processes through *energy conservation*, technology transfer, applied research, and financial assistance. The corporation's purpose is not to create new programs or services but to build on the existing educational, business, and economic development infrastructure. The primary focus of the corporation's activities must be to benefit new or existing small and medium-sized businesses in greater Minnesota.

Sec. 4. Minnesota Statutes 1992, section 116O.04, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] The board shall appoint and set the compensation for a president, who serves as chief executive officer of the corporation, and who may appoint subordinate officers. The president's salary may not exceed 95 percent of the governor's salary. The board may designate the president as its general agent. Subject to the control of the board, the president shall employ employees, consultants, and agents the president considers necessary. The staff of the corporation must include individuals knowledgeable in commercial and industrial financing, *energy conservation*, research and development, economic development, and general fiscal affairs. The board shall define the duties and designate the titles of the employees and agents.

Sec. 5. Minnesota Statutes 1992, section 116O.05, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] (a) The primary duties of the corporation shall include:

- (1) applied research; and
- (2) technology transfer and early stage funding to small manufacturers.

(b) The corporation shall also:

- (1) establish programs, activities, and policies that provide technology transfer and applied research and development assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and non-profit organizations in the state that are primarily new and existing small and medium-sized businesses in greater Minnesota;

- (2) provide or provide for technology-related assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, and non-profit organizations;

- (3) provide financial assistance under section 116O.06 to assist the development of new products, services, or production processes, *to assist in energy conservation*, or to assist in bringing new products or services to the marketplace;

- (4) provide or provide for research services including on-site research and testing of production techniques and product quality;

- (5) establish and operate regional research institutes as provided for in section 116O.08;

(6) make matching research grants for applied research and development to public and private post-secondary education institutes as provided for in section 116O.11;

(7) enter into contracts for establishing formal relationships with public or private research institutes or facilities;

(8) establish the agricultural utilization research institute under section 116O.09; and

(9) not duplicate existing services or activities provided by other public and private organizations but shall build on the existing educational, business, and economic development infrastructure.

Sec. 6. Minnesota Statutes 1992, section 116O.06, subdivision 1, is amended to read:

Subdivision 1. [FINANCIAL ASSISTANCE; TYPES.] The corporation may provide financial assistance to individuals, sole proprietorships, partnerships, corporations, other business entities, or nonprofit organizations that have (1) received research assistance from a corporation research facility or as a result of a research grant under section 116O.09, subdivision 4, or 116O.11; or (2) received favorable review through a peer review process established under guidelines developed under section 116O.10, subdivision 2. Financial assistance includes, but is not limited to, loan guarantees or insurance, direct loans, and interest subsidy payments. The corporation may participate in loans by purchasing from a lender up to 50 percent of each loan. Financial assistance under this section is for assisting in the financing of a business's debt financing, *energy conservation*, product development financing, or working capital needs.

Sec. 7. Minnesota Statutes 1992, section 116O.08, subdivision 2, is amended to read:

Subd. 2. [PURPOSE.] The purpose of the institutes is to provide applied research and development services to individuals, businesses, or organizations for the purposes of developing the region's economy through the utilization of the region's resources and the development of technology. Research and development services may include *energy conservation consultations*, on-site research, product development grants, testing of production techniques and product quality and feasibility studies.

Sec. 8. [ENERGY AND ECONOMIC DEVELOPMENT PROJECT.]

*Minnesota Technology, Inc., must by February 1, 1994, notify the chairs of the legislative committees with jurisdiction in energy or economic development issues of its efforts in providing energy conservation assistance to employers and of the economic value to businesses of that assistance."*

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "providing certain duties for the rural development board and Minnesota Technology, Inc.;"

Page 1, line 12, after the second semicolon, insert "116N.04, subdivision 1; 116O.02, subdivision 6; 116O.03, subdivision 1a; 116O.04, subdivision 1; 116O.05, subdivision 2; 116O.06, subdivision 1; 116O.08, subdivision 2;"

Page 1, line 21, after "116J.982" insert ", subdivisions 6a, 8, and 9"

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1158: A bill for an act relating to workers' compensation; modifying provisions relating to adjustment of benefits; amending Minnesota Statutes 1992, section 176.645, subdivision 1.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

H:F No. 1423: A bill for an act relating to unemployment compensation; modifying definitions; changing provisions relating to eligibility for and administration of unemployment compensation; amending Minnesota Statutes 1992, sections 268.04, subdivisions 4 and 12; 268.08, subdivisions 3 and 6; 268.09, subdivisions 1, 2, and 8; 268.10, subdivisions 2 and 6; 268.12, subdivision 12; 268.16, subdivision 4; and 268.161, subdivision 9.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1076: A bill for an act relating to state government; the legislative commission on employee relations; modifying provisions relating to certain plans; ratifying certain salaries; amending Minnesota Statutes 1992, section 43A.18, subdivision 4; repealing Minnesota Statutes 1992, section 43A.24, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

“Section 1. Minnesota Statutes 1992, section 15A.083, subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. The supreme court shall set the salary of the state court administrator and the salaries of district court administrators. The salary of the state court administrator or a district court administrator may not exceed the salary of a district court judge. If district court administrators die, the amounts of their unpaid salaries for the months in which their deaths occur must be paid to their estates. ~~The salaries of the district administrators of the second, fourth, and sixth judicial districts may be supplemented by the appropriate county board in an amount not to exceed \$10,000 per year. The salary supplement may be~~

made effective only until January 1, 1988. The salary of the state public defender shall must be 95 percent of the salary of the attorney general.

Salary or Range  
Effective  
July 1,  
1992 1994

Board on judicial standards  
executive director

\$44,000-60,000 70,000"

Page 2, after line 30, insert:

"Subd. 4. [UNIT 1.] *The collective bargaining agreement between the state of Minnesota and state bargaining unit 1, represented by the Minnesota law enforcement association, approved by the legislative commission on employee relations on March 26, 1993, is ratified.*

Sec. 4. [SETTLEMENT DOCUMENTS.]

*The department of employee relations must complete the uniform collective bargaining agreement settlement documents prescribed under Minnesota Statutes, section 179A.04, subdivision 3, clause (n), for collective bargaining agreements effective after June 30, 1993.*

Sec. 5. [HAY EVALUATION.]

*The commissioner of employee relations shall conduct a Hay evaluation of the position of the director of the board of judicial standards and submit a report comparing this position with other comparable managerial positions to the legislative commission on employee relations by January 15, 1994.*

Sec. 6. [STUDY; COMMUNITY COLLEGE POSITIONS.]

*The legislative commission on employee relations shall study and make recommendations to the legislature regarding the criteria by which the community college system assigns positions in the professional employees unit, unit 214, to the classified or unclassified service. The report must be completed by February 1, 1994."*

Page 2, line 35, before "Sections" insert "Section 1 is effective July 1, 1994." and delete "1 to 3" and insert "2 to 7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "raising the top of a salary range for a judicial position;"

Page 1, line 4, after "salaries" insert "and a bargaining agreement"

Page 1, line 5, delete "section" and insert "sections 15A.083, subdivision 4; and"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 664: A bill for an act relating to retirement; public employees retirement association and Minneapolis employees retirement fund; providing for the retention of pension coverage for certain transferred employees.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 2 and insert:

“Sec. 2. [EMPLOYEE CONTRIBUTION.]

*(a) For employees of the Minneapolis community action council retaining public employees retirement association coverage under section 1, employee contributions must be deducted from salary at the applicable rate under Minnesota Statutes, section 353.27, subdivision 2.*

*(b) For employees of the Minneapolis community action council retaining Minneapolis employees retirement fund coverage under section 1, employee contributions must be deducted from salary as required under Minnesota Statutes, section 422A.10.*

Sec. 3. [EMPLOYER CONTRIBUTION.]

*(a) On behalf of employees retaining public employees retirement association coverage under section 1, the Minneapolis community action council must make an employer and additional employer contribution to the public employees retirement association as required under Minnesota Statutes, section 353.27, subdivisions 3 and 3a.*

*(b) On behalf of employees retaining Minneapolis employees retirement fund coverage under section 1, the Minneapolis community action council must make a contribution to the Minneapolis employees retirement fund equal to the same percentage of the covered payroll that the total contribution by the city of Minneapolis to the Minneapolis employees retirement fund for the previous calendar year bears to the total payroll in the previous calendar year of employees of the city of Minneapolis with coverage by the Minneapolis employees retirement fund.*

Sec. 4. [LOCAL APPROVAL.]

*Sections 1 to 3 are effective the day following approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021.”*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 1279: A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees police and fire fund by two employees of the city of Minneapolis.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 22, delete “(a)”

Page 3, line 34, delete “city council” and insert “park and recreation board”



And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 868: A bill for an act relating to human services; adding conditions on availability of funds; changing conditions on adoption assistance agreement; changing reimbursement of costs; determining program funding; amending Minnesota Statutes 1992, sections 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, 9, 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 1992, section 259.40, subdivision 1, is amended to read:

Subdivision 1. [~~SUBSIDY PAYMENTS~~ *ADOPTION ASSISTANCE.*] The commissioner of human services ~~may make subsidy payments as necessary after the subsidized adoption agreement is approved to shall enter into an adoption assistance agreement with an adoptive parent or parents who adopt a child who meets the eligibility requirements under title IV-E of the Social Security Act, United States Code, title 42, section sections 670 to 679a, or who otherwise meets the requirements in subdivision 4, is a Minnesota resident and is under guardianship of the commissioner or of a licensed child placing agency after the final decree of adoption is issued. The subsidy payments and any subsequent modifications to the subsidy payments shall be based on the needs of the adopted person that the commissioner has determined cannot be met using other resources including programs available to the adopted person and the adoptive parent or parents.~~

Sec. 2. Minnesota Statutes 1992, section 259.40, subdivision 2, is amended to read:

Subd. 2. [~~SUBSIDY~~ *ADOPTION ASSISTANCE AGREEMENT.*] The placing agency shall certify a child as eligible for a ~~subsidy adoption assistance~~ according to rules promulgated by the commissioner. When a parent or parents are found and approved for adoptive placement of a child certified as eligible for a ~~subsidy adoption assistance~~, and before the final decree of adoption is issued, a written agreement must be entered into by the commissioner, the adoptive parent or parents, and the placing agency. The written agreement must be in the form prescribed by the commissioner and must set forth the responsibilities of all parties, the anticipated duration of the ~~subsidy adoption assistance~~ payments, and the payment terms. The ~~subsidy adoption assistance~~ agreement shall be subject to the commissioner's approval.

~~The commissioner shall provide adoption subsidies to the adoptive parent or parents according to the terms of the subsidy agreement. The subsidy may include payment for basic maintenance expenses of food, clothing, and shelter; amount of adoption assistance is subject to the availability of state and federal funds and shall be determined through agreement with the adoptive parents. The agreement shall take into consideration the circumstances of the adopting parent or parents, the needs of the child being adopted and may provide ongoing monthly assistance, supplemental maintenance expenses related to the adopted person's special needs, nonmedical expenses~~

periodically necessary for purchase of services, items, or equipment related to the special needs; and medical expenses. The placing agency or the adoptive parent or parents shall provide written documentation to support ~~requests the need for subsidy adoption assistance~~ payments. The commissioner may require periodic reevaluation of ~~subsidy adoption assistance~~ payments. The amount of the ~~subsidy payment ongoing monthly adoption assistance granted~~ may in no case exceed that which would be allowable for the child under foster family care *and is subject to the availability of state and federal funds.*

Sec. 3. Minnesota Statutes 1992, section 259.40, subdivision 3, is amended to read:

Subd. 3. [ANNUAL AFFIDAVIT.] When ~~subsidies adoption assistance agreements~~ are for more than one year, the adoptive parents or guardian or conservator shall annually present an affidavit stating whether the adopted person remains under their care and whether the need for ~~subsidy adoption assistance~~ continues to exist. The commissioner may verify the affidavit. The ~~subsidy adoption assistance~~ agreement shall continue in accordance with its terms as long as the need for ~~subsidy adoption assistance~~ continues and the adopted person ~~is under 22 years of age and is the legal or financial dependent of the adoptive parent or parents or guardian or conservator and is under 18 years of age. The adoption assistance agreement may be extended to age 22 as allowed by rules adopted by the commissioner.~~ Termination or modification of the ~~subsidy adoption assistance~~ agreement may be requested by the adoptive parents or subsequent guardian or conservator at any time. When the commissioner determines that a child is eligible for adoption assistance under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to ~~676~~ *679a*, the commissioner shall modify the ~~subsidy adoption assistance~~ agreement in order to obtain the funds under that act.

Sec. 4. Minnesota Statutes 1992, section 259.40, subdivision 4, is amended to read:

Subd. 4. [ELIGIBILITY CONDITIONS.] The placing agency shall determine the child's eligibility for adoption assistance under title IV-E of the Social Security Act. If the child does not qualify, the placing agency shall certify a child as eligible for a ~~state-funded subsidy state funded adoption assistance~~ only if the following criteria are met:

(a) A placement agency ~~has made reasonable efforts to place the child for adoption without subsidy, but has been unsuccessful determined that due to the child's characteristics or circumstances, it would be difficult to provide the child an adoptive home without adoption assistance; or~~

(b) ~~The child's licensed foster parents desire to adopt the child and it is determined by the placing agency that:~~

(1) ~~the adoption is in the best interest of the child; and~~

(2) ~~due to the child's characteristics or circumstances it would be difficult to provide the child an adoptive home without subsidy. A placement agency has made reasonable efforts to place the child for adoption without adoption assistance, but has been unsuccessful, or the child's licensed foster parents desire to adopt the child and it is determined by the placing agency that the adoption is in the best interests of the child; and~~

(c) ~~The child has been a ward of the commissioner or licensed a Minnesota-licensed child placing agency.~~

Sec. 5. Minnesota Statutes 1992, section 259.40, subdivision 5, is amended to read:

Subd. 5. [DETERMINATION OF RESIDENCY.] A child who is a resident of any county in this state when eligibility for ~~subsidy adoption assistance~~ is certified shall remain eligible and receive ~~the subsidy adoption assistance~~ in accordance with the terms of the ~~subsidy adoption assistance~~ agreement, regardless of the domicile or residence of the adopting parents at the time of application for adoptive placement, legal decree of adoption, or thereafter.

Sec. 6. Minnesota Statutes 1992, section 259.40, subdivision 7, is amended to read:

Subd. 7. [REIMBURSEMENT OF COSTS.] Subject to rules of the commissioner, *and the provisions of this subdivision* a Minnesota-licensed child placing agency or county social service agency shall receive a reimbursement from the commissioner equal to 100 percent of the reasonable and appropriate cost of providing ~~or purchasing~~ adoption services for a child certified as eligible for a ~~subsidy, including~~ adoption assistance. *Such assistance may include* adoptive family recruitment, counseling, and special training when needed. *A Minnesota-licensed child placing agency shall receive reimbursement for adoption services it purchases for or directly provides to an eligible child. A county social service agency shall receive such reimbursement only for adoption services it purchases for an eligible child.*

*A Minnesota-licensed child placing agency or county social service agency seeking reimbursement under this subdivision shall enter into a reimbursement agreement with the commissioner before providing adoption services for which reimbursement is sought. No reimbursement under this subdivision shall be made to an agency for services provided prior to entering a reimbursement agreement. Separate reimbursement agreements shall be made for each child and separate records shall be kept on each child for whom a reimbursement agreement is made. Funds encumbered and obligated under such an agreement for the child remain available until the terms of the agreement are fulfilled or the agreement is terminated.*

Sec. 7. Minnesota Statutes 1992, section 259.40, subdivision 8, is amended to read:

Subd. 8. [INDIAN CHILDREN.] The commissioner is encouraged to work with American Indian organizations to assist in the establishment of American Indian child adoption organizations able to be licensed as child placing agencies. Children certified as eligible for a ~~subsidy adoption assistance~~ under this section who are protected under the Federal Indian Child Welfare Act of 1978 should, whenever possible, be served by the tribal governing body, tribal courts, or a licensed Indian child placing agency.

Sec. 8. Minnesota Statutes 1992, section 259.40, subdivision 9, is amended to read:

Subd. 9. [EFFECT ON OTHER AID.] ~~Subsidy Adoption assistance~~ payments received under this section shall not affect eligibility for any other financial payments to which a person may otherwise be entitled."

Delete the title and insert:

"A bill for an act relating to human services; adding conditions on availability of funds; changing conditions on adoption assistance agreement;

changing reimbursement of costs; determining program funding; amending Minnesota Statutes 1992, section 259.40, subdivisions 1, 2, 3, 4, 5, 7, 8, and 9.”

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 re-referred

S.F. No. 1102: A bill for an act relating to health; modifying provisions relating to infectious waste; amending Minnesota Statutes 1992, sections 116.76, subdivision 14; 116.78, subdivisions 4 and 7; 116.79, subdivisions 1 and 4; 116.80, subdivisions 1 and 2; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83, subdivisions 1 and 3; repealing Minnesota Statutes 1992, sections 116.76, subdivision 7; 116.79, subdivision 3; 116.81, subdivision 2; and 116.83, subdivision 2; Minnesota Rules, parts 4622.0100; 4622.0300; 4622.0400; 4622.0600; 4622.0700, subparts 10 and 12; 4622.0900; 4622.1000; 4622.1050; 4622.1100; 4622.1150; and 4622.1200.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, after line 20, insert:

“Sec. 12. [TRANSFER OF RULES.]

*Notwithstanding Minnesota Statutes, section 14.05, Minnesota Rules, part 4622.0700, subparts 1 to 9 and 11, remain in effect and authority to implement the rules is transferred to the pollution control agency.”*

Page 6, delete lines 25 to 27

ReNUMBER the sections in sequence

Amend the title as follows:

Page 1, line 10, delete “; Minnesota” and insert a period

Page 1, delete lines 11 to 14

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 952: A bill for an act relating to occupations and professions; requiring crane operators to be licensed by the state; requiring rulemaking; establishing a crane operators examining board; providing penalties; amending Minnesota Statutes 1992, section 214.01, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 662: A bill for an act relating to retirement; survivor benefits payable by the Minneapolis police relief association; amending Laws 1992, chapter 471, article 1, section 10, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“ARTICLE 1

MINNEAPOLIS POLICE SURVIVOR BENEFIT MODIFICATION

Section 1. Laws 1992, chapter 454, section 3, is amended to read:

Sec. 3. [TRANSITION PERIOD.]

The benefit increase provided under section 1 to surviving spouse shall be phased in according to the following schedule:

Year	Maximum Amount of Units Under Section 1
1992	19
1993	20
1994	21

provided that the Minneapolis police relief association's percent of assets to actuarial accrued unfunded liability as of December 31 for the year indicated is at least the following:

1991	75.3 percent
1992	76.6 percent
1993	77.9 percent

In the event the required funding of percent of assets to actuarial accrued unfunded liability is not met in a given year, the phased in benefit will not occur but will be phased in in subsequent years when the funding levels are met.

The benefit provided in section 2 to surviving spouses of the Minneapolis fire department relief association shall be paid beginning in 1993 only if on December 31, 1992, the relief association has assets of at least 64 percent of the actuarial accrued unfunded liability. Provided, however, if the fund does not have the minimum required funding on December 31, 1992, the benefits will be phased in when the fund reaches 64 percent of the actuarial accrued unfunded liability.”

Page 1, line 19, delete “22” and insert “21” and reinstate the stricken “if”

Page 1, line 20, reinstate the stricken language

Page 1, line 21, reinstate the stricken “or disabilitant. The surviving spouse benefit is equal to” and after the stricken “4.5” insert “six”

Page 1, line 22, reinstate the stricken “units per month, plus an additional” and reinstate the stricken “one unit for”

Page 1, line 23, reinstate the stricken language

Page 1, line 24, reinstate the stricken "five years, to a maximum of" and after the stricken "18" insert "21" and reinstate the stricken "units per month, if the person is"

Page 1, line 25, reinstate the stricken language

Page 2, line 1, reinstate the stricken language

Page 2, lines 10 and 11, reinstate the stricken language

Page 2, line 12, after the stricken "1.5" insert "2" and reinstate the stricken "units per month, plus an additional" and after the stricken "three-tenths" insert "*four-tenths*" and reinstate the stricken "of one unit"

Page 2, line 13, reinstate the stricken language

Page 2, line 14, reinstate the stricken "in excess of five years, to a maximum of" and after the stricken "six" insert "*eight*" and reinstate the stricken "units, if the"

Page 2, lines 15 and 16, reinstate the stricken language

Page 2, line 23, delete "*pension*" and insert "*surviving child benefit*" and delete "*board of directors*" and insert "*surviving child is, or the surviving children are, entitled to a surviving child benefit*"

Page 2, line 24, delete "*shall pay a pension*" and delete "*may*" and insert "*determined by the board of directors to*"

Page 2, line 25, delete "*as in the*"

Page 2, line 26, delete "*discretion of said board may be necessary*"

Page 2, after line 31, insert:

"Sec. 3. [1993 BENEFITS.]

*Notwithstanding section 1, the surviving spouse benefit under that section is equal to 20 units a month in 1993 and is equal to 21 units a month in 1994 and subsequent years.*

Sec. 4. [REPEALER.]

*Laws 1992, chapter 454, section 1, is repealed."*

Page 2, line 33, delete "*Section 1 is*" and insert "*Sections 1 to 4 are*"

Renumber the sections of article 1 in sequence

Page 2, after line 34, insert:

## "ARTICLE 2

### CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 353B.11, subdivision 4, is amended to read:

Subd. 4. [AMOUNT; SURVIVING CHILD BENEFIT.] (a) The surviving child benefit shall be eight percent of the salary base for the former members of the following consolidating relief associations:

- (1) Fridley police pension association;
- (2) Red Wing fire department relief association;
- (3) Richfield police relief association;
- (4) Rochester fire department relief association;
- (5) Rochester police relief association;
- (6) St. Cloud police relief association;
- (7) St. Louis Park police relief association;
- (8) South St. Paul firefighters relief association;
- (9) Winona fire department relief association; and
- (10) Winona police relief association.

(b) The surviving child benefit shall be \$25 per month for the former members of the following consolidating relief associations:

- (1) Anoka police relief association;
- (2) Austin firefighters relief association;
- (3) Austin police relief association;
- (4) Faribault police benefit association;
- (5) Hibbing firefighters relief association;
- (6) Mankato police benefit association;
- (7) South St. Paul police relief association; and
- (8) Virginia fire department relief association.

(c) The surviving child benefit shall be ten percent of the salary base for the former members of the following consolidating relief associations:

- (1) Albert Lea police relief association;
- (2) Crookston police relief association;
- (3) Duluth firefighters relief association;
- (4) Duluth police pension association;
- (5) Faribault fire department relief association; and
- (6) Minneapolis fire department relief association.

(d) The surviving child benefit shall be five percent of the salary base for the former members of the following consolidating relief associations:

- (1) Columbia Heights fire department relief association, paid division;
- (2) St. Paul police relief association; and
- (3) West St. Paul firefighters relief associations.

(e) The surviving child benefit shall be \$15 per month for the former members of the following consolidating relief associations:

- (1) Crookston fire department relief association;

- (2) Hibbing police relief association; and
- (3) West St. Paul police relief association.

(f) The surviving child benefit shall be 7.5 percent of the salary base for the former members of the following consolidating relief associations:

- (1) Bloomington police relief association; *and*
- (2) Crystal police relief association; *and*
- (3) Minneapolis police relief association.

(g) The surviving child benefit shall be the following for the former members of the consolidating relief associations as indicated:

(1) ten percent of the salary base if a surviving spouse benefit is also payable, that amount between ten percent of the salary base and 50 percent of the salary base as determined by the executive director of the public employees retirement association, based on the financial circumstances and need of the surviving child or surviving children, applied in a uniform manner, reflective to the extent practicable or determinable to the past administrative practices of the board of the consolidating relief association before the effective date of the consolidation if there is a surviving spouse but no surviving spouse benefit is also payable on account of the remarriage of the surviving spouse, or 50 percent of the salary base, payable in equal shares for more than one surviving child, if there is no surviving spouse, Albert Lea firefighters relief association;

(2) four percent of the salary base, Brainerd police benefit association;

(3) \$125 per month if a surviving spouse benefit is also payable or an amount equal to the surviving spouse benefit, payable in equal shares if there is more than one surviving child, if no surviving spouse benefit is payable, Buhl police relief association;

(4) \$15 per month, Chisholm firefighters relief association;

(5) \$125 per month, Chisholm police relief association;

(6) \$50 per month, Columbia Heights police relief association;

(7) 6.25 percent of the salary base, Fairmont police benefit association;

(8) 12.5 percent of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the allowable service credit of the person as of the date of death if the person would have been eligible as of the date of death, Mankato fire department relief association;

(9) *ten percent of the salary base if a surviving spouse benefit is also payable or an amount determined by the executive director of the public employees retirement association based on the financial circumstances and need of the surviving child or surviving children, applied in a uniform manner, and subject to the largest applicable amount surviving child benefit maximum if no surviving spouse benefit is also payable, Minneapolis police relief association;*



(10) \$25 per month if a surviving spouse benefit is also payable or an amount equal to the surviving spouse benefit, payable in equal shares if there is more than one surviving child, New Ulm police relief association;

(11) in an amount determined by the executive director of the public employees retirement association based on the financial circumstances and need of the surviving child or surviving children, applied in a uniform manner, reflective to the extent practicable or determinable to the past administrative practices of the board of the consolidating relief association before the effective date of the consolidation and not more than the largest surviving child benefit amount prescribed for any other actual or potential consolidating relief association as provided in this section, Red Wing police relief association;

(12) five percent of the salary base if a surviving spouse benefit is also payable or 15 percent of the salary base if no surviving spouse benefit is payable, Richfield fire department relief association;

(13) 5.3334 percent of the salary base, St. Cloud fire department relief association;

(14) five percent of the salary base if a surviving spouse benefit is also payable or 15 percent of the salary base if no surviving spouse benefit is also payable for the surviving child or children of a deceased active member, disabled member, or retired or deferred member with at least 20 years of active service, or the prorated portion of five percent of the salary base if a surviving spouse benefit is also payable or 15 percent of the salary base if no surviving spouse benefit is also payable that bears the same relationship to five or 15 percent that the deceased member's years of allowable service bear to 20 years of allowable service for the surviving child or children of a deceased retired or deferred member with at least ten but less than 20 years of allowable service, St. Louis Park fire department relief association;

(15) ten percent of the salary base, St. Paul fire department relief association; and

(16) \$50 per month, Virginia police relief association.

Sec. 2. Minnesota Statutes 1992, section 353B.11, subdivision 5, is amended to read:

Subd. 5. [SURVIVOR BENEFIT MAXIMUM.] (a) No surviving children or surviving family maximum shall be applicable to former members of the following consolidating relief associations:

- (1) Buhl police relief association;
- (2) Chisholm firefighters relief association;
- (3) Chisholm police relief association;
- (4) Hibbing firefighters relief association;
- (5) Mankato police benefit association;
- (6) New Ulm police relief association;
- (7) Red Wing fire department relief association;
- (8) Red Wing police relief association;

(9) St. Paul police relief association; and

(10) South St. Paul police relief association.

(b) The surviving children maximum shall be 24 percent of the salary base, if a surviving spouse benefit is also payable or 48 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

(1) Fridley police pension association;

(2) Richfield police relief association;

(3) Rochester fire department relief association;

(4) Rochester police relief association;

(5) Winona fire department relief association; and

(6) Winona police relief association.

(c) The surviving family maximum shall be 50 percent of the salary base for the former members of the following consolidating relief associations:

(1) Anoka police relief association;

(2) Austin firefighters relief association;

(3) Austin police relief association;

(4) Duluth firefighters relief association;

(5) Richfield fire department relief association; and

(6) St. Louis Park fire department relief association.

(d) The surviving family maximum shall be an amount equal to the service pension which a retiring member would have received based on 20 years of allowable service credit if the member had attained the age of at least 50 years in the case of an active member, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death in the case of a deferred member, or of the service pension or disability benefit which the deceased member was receiving as of the date of death, for the former members of the following consolidating relief associations:

(1) Columbia Heights police relief association;

(2) Virginia fire department relief association; and

(3) Virginia police relief association.

(e) The surviving children maximum shall be 25 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

(1) Duluth police pension association; and

(2) Fairmont police benefit association.

(f) The surviving children maximum shall be 22.5 percent of the salary base, if a surviving spouse benefit is also payable or 45 percent of the salary

base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Bloomington police relief association; and
- (2) Crystal police relief association.

(g) The surviving children maximum shall be 16 percent of the salary base, if a surviving spouse benefit is also payable or 48 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) St. Cloud fire department relief association; and
- (2) St. Cloud police relief association.

(h) The surviving children maximum shall be 20 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;
- (2) Albert Lea police relief association; and
- (3) Faribault fire department relief association.

(i) The surviving family maximum shall be the following for the former members of the consolidating relief associations:

- (1) \$450 per month, Crookston police relief association;
- (2) 80 percent of the service pension or disability benefit which the deceased member was receiving as of the date of death, or of the service pension which the deferred member would have been receiving if the service pension had commenced as of the date of death or of the service pension which the active member would have received based on the greater of the allowable service credit of the person as of the date of death or 20 years of allowable service credit if the person would have been eligible as of the date of death, Mankato fire department relief association; and

- (3) 57.5 percent of the salary base, St. Paul fire department relief association.

(j) The surviving child maximum shall be the following for the former members of the consolidating relief associations:

- (1) 20 percent of the top salary payable to a patrol officer, Brainerd police benefit association;
- (2) ten percent of the salary base, if a surviving spouse benefit is also payable or 15 percent of the salary base, if no surviving spouse benefit is also payable, Columbia Heights fire department relief association, paid division;
- (3) \$105 per month if a surviving spouse benefit is also payable or \$90 per month if no surviving spouse benefit is also payable, Crookston fire department relief association;
- (4) \$125 per month, Faribault police benefit association;
- (5) \$30 per month if a surviving spouse benefit is also payable or \$180 per

month if no surviving spouse benefit is also payable, Hibbing police relief association;

(6) 25 percent of the salary base, if a surviving spouse benefit is also payable or 51.25 percent of the salary base, if no surviving spouse benefit is also payable, Minneapolis fire department relief association;

(7) 17.5 percent of the salary base, if a surviving spouse benefit is also payable or 40 50 percent of the salary base, if no surviving spouse benefit is also payable, Minneapolis police relief association;

(8) 24 percent of the salary base, St. Louis Park police relief association;

(9) 23 percent of the salary base, if a surviving spouse benefit is also payable or 50 percent of the salary base, if no surviving spouse benefit is also payable, South St. Paul firefighters relief association;

(10) ten percent of the salary base, West St. Paul firefighters relief association; and

(11) \$30 per month if a surviving spouse benefit is also payable or \$75 per month if no surviving spouse benefit is also payable, West St. Paul police relief association.

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective on the effective date of article 1, section 2.*

Amend the title as follows:

Page 1, line 3, after "amending" insert "Minnesota Statutes 1992, section 353B.11, subdivisions 4 and 5; and"

Page 1, line 4, delete "chapter" and insert "chapters 454, section 3; and"

Page 1, line 5, before the period, insert "; repealing Laws 1992, chapter 454, section 1"

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. 1018 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.
1018	746				

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. 1474 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.
1474		1124			

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. 643 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.
643		809			

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 643 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 643 and insert the language after the enacting clause of S.F. No. 809; further, delete the title of H.F. No. 643 and insert the title of S.F. No. 809.

And when so amended H.F. No. 643 will be identical to S.F. No. 809, and further recommends that H.F. No. 643 be given its second reading and substituted for S.F. No. 809, 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. 951 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.
951		495			

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. 893 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.
893	709				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 893 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 893 and insert the language after the enacting clause of S.F. No. 709, the first engrossment; further, delete the title of H.F. No. 893 and insert the title of S.F. No. 709, the first engrossment.

And when so amended H.F. No. 893 will be identical to S.F. No. 709; and further recommends that H.F. No. 893 be given its second reading and substituted for S.F. No. 709, 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. 554 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.
554	1444				

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. 1408 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.
1408	813				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1408 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1408 and insert the language after the enacting clause of S.F. No. 813, the first engrossment; further, delete the title of H.F. No. 1408 and insert the title of S.F. No. 813; the first engrossment.

And when so amended H.F. No. 1408 will be identical to S.F. No. 813; and further recommends that H.F. No. 1408 be given its second reading and substituted for S.F. No. 813, 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. 842, 1158, 664, 1279, 952 and 662 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 1039, 1423, 1018, 1474, 643, 951, 893, 554 and 1408 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Mr. Murphy be added as a co-author to S.F. No. 184. The motion prevailed.

Mr. Johnson, D.E. moved that his name be stricken as a co-author to S.F. No. 1232. The motion prevailed.

Ms. Berglin moved that the name of Mr. Marty be added as a co-author to S.F. No. 1548. The motion prevailed.

Ms. Berglin moved that the name of Mr. Marty be added as a co-author to S.F. No. 1550. The motion prevailed.

Mr. Lessard moved that the names of Messrs. Merriam and Finn be added as co-authors to S.F. No. 1598. The motion prevailed.

### CALENDAR

H.F. No. 566: A bill for an act relating to telecommunications; extending authority of public utilities commission to approve incentive regulation plans for certain telephone companies; amending Laws 1989, chapter 74, section 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Moe, R.D.	Samuelson
Beckman	Finn	Kroening	Mondale	Solon
Belanger	Flynn	Laidig	Morse	Spear
Benson, D.D.	Frederickson	Langseth	Neuville	Stevens
Benson, J.E.	Hanson	Larson	Novak	Stumpf
Berg	Hottinger	Lesewski	Oliver	Terwilliger
Berglin	Johnson, D.E.	Lessard	Olson	Vickerman
Bertram	Johnson, D.J.	Luther	Pariseau	Wiener
Betzold	Johnson, J.B.	Marty	Price	
Chandler	Johnston	McGowan	Robertson	
Chmielewski	Kiscaden	Merriam	Runbeck	
Day	Knutson	Metzen	Sams	

So the bill passed and its title was agreed to.

H.F. No. 976: A bill for an act relating to counties; authorizing a county to transfer funds to and enter into contracts with community action agencies; amending Minnesota Statutes 1992, section 375.18, 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	Finn	Kroening	Morse	Runbeck
Beckman	Flynn	Laidig	Murphy	Sams
Belanger	Frederickson	Larson	Neuville	Samuelson
Benson, J.E.	Hanson	Lesewski	Novak	Solon
Berg	Hottinger	Lessard	Oliver	Spear
Berglin	Janezich	Luther	Olson	Stevens
Bertram	Johnson, D.E.	Marty	Pariseau	Stumpf
Betzold	Johnson, D.J.	McGowan	Piper	Terwilliger
Chandler	Johnston	Merriam	Price	Vickerman
Chmielewski	Kiscaden	Metzen	Ranum	
Day	Knutson	Moe, R.D.	Reichgott	
Dille	Krentz	Mondale	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 64: A bill for an act relating to game and fish; seasons for taking deer by muzzle-loading firearms.

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	Day	Knutson	Moe, R.D.	Reichgott
Beckman	Dille	Krentz	Mondale	Riveness
Belanger	Finn	Kroening	Morse	Runbeck
Benson, D.D.	Frederickson	Langseth	Murphy	Sams
Benson, J.E.	Hanson	Larson	Neuville	Samuelson
Berg	Hottinger	Lesewski	Novak	Solon
Berglin	Janezich	Lessard	Olson	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener



Ms. Flynn voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 421: A bill for an act relating to state parks; authorizing an addition to Charles A. Lindbergh state park.

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	Dille	Krentz	Mondale	Riveness
Beckman	Finn	Kroening	Morse	Robertson
Belanger	Flynn	Laidig	Murphy	Runbeck
Benson, D.D.	Frederickson	Langseth	Neuville	Sams
Benson, J.E.	Hanson	Larson	Novak	Samuelson
Berg	Hottinger	Lesewski	Oliver	Solon
Berglin	Janezich	Lessard	Olson	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener
Day	Knutson	Moe, R.D.	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 490: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land that borders public water in Washington county to the city of Oakdale.

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	Dille	Krentz	Mondale	Robertson
Beckman	Finn	Kroening	Morse	Runbeck
Belanger	Flynn	Laidig	Murphy	Sams
Benson, D.D.	Frederickson	Langseth	Neuville	Samuelson
Benson, J.E.	Hanson	Larson	Novak	Solon
Berg	Hottinger	Lesewski	Oliver	Spear
Berglin	Janezich	Lessard	Olson	Stevens
Bertram	Johnson, D.E.	Luther	Piper	Stumpf
Betzold	Johnson, D.J.	Marty	Pogemiller	Terwilliger
Chandler	Johnson, J.B.	McGowan	Price	Vickerman
Chmielewski	Johnston	Merriam	Ranum	Wiener
Cohen	Kiscaden	Metzen	Reichgott	
Day	Knutson	Moe, R.D.	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 702: A bill for an act relating to game and fish; requiring identification of traps; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 97B.

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	Dille	Krentz	Mondale	Riveness
Beckman	Finn	Kroening	Morse	Robertson
Belanger	Flynn	Laidig	Murphy	Runbeck
Benson, D.D.	Frederickson	Langseth	Neuville	Sams
Benson, J.E.	Hanson	Larson	Novak	Samuelson
Berg	Hottinger	Lesewski	Oliver	Solon
Berglin	Janezich	Lessard	Olson	Spear
Bertram	Johnson, D.E.	Luther	Pariseau	Stevens
Betzold	Johnson, D.J.	Marty	Piper	Stumpf
Chandler	Johnson, J.B.	McGowan	Pogemiller	Terwilliger
Chmielewski	Johnston	Merriam	Price	Vickerman
Cohen	Kiscaden	Metzen	Ranum	Wiener
Day	Knutson	Moe, R.D.	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 483: A bill for an act relating to game and fish; allowing all big game to be taken under a crossbow permit for hunters with disabilities; amending Minnesota Statutes 1992, section 97B.106.

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 5, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Kroening	Mondale	Riveness
Beckman	Finn	Laidig	Morse	Runbeck
Belanger	Frederickson	Langseth	Murphy	Sams
Benson, D.D.	Hanson	Larson	Neuville	Samuelson
Benson, J.E.	Hottinger	Lesewski	Novak	Solon
Berg	Janezich	Lessard	Oliver	Spear
Berglin	Johnson, D.E.	Luther	Olson	Stevens
Bertram	Johnson, D.J.	Marty	Pariseau	Stumpf
Betzold	Johnson, J.B.	McGowan	Piper	Terwilliger
Chandler	Johnston	Merriam	Pogemiller	Vickerman
Chmielewski	Knutson	Metzen	Price	Wiener
Cohen	Krentz	Moe, R.D.	Reichgott	

Those who voted in the negative were:

Day	Flynn	Kiscaden	Ranum	Robertson
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So the bill passed and its title was agreed to.

### CONSENT CALENDAR

S.F. No. 1466: A bill for an act relating to state lands; releasing certain reversionary interests of the state to independent school district No. 911, Cambridge; amending Laws 1963, chapter 350, section 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	Dille	Krentz	Morse	Runbeck
Anderson	Finn	Kroening	Murphy	Sams
Beckman	Flynn	Laidig	Neuville	Samuelson
Belanger	Frederickson	Langseth	Novak	Solon
Benson, D.D.	Hanson	Larson	Oliver	Spear
Benson, J.E.	Hottinger	Lesewski	Olson	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnson	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	
Day	Knutson	Mondale	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 349: A bill for an act relating to education; updating the name of the umbrella student association for technical colleges; amending Minnesota Statutes 1992, section 136C.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	Day	Kiscaden	Metzen	Ranum
Anderson	Dille	Knutson	Moe, R.D.	Reichgott
Beckman	Finn	Krentz	Mondale	Riveness
Belanger	Flynn	Kroening	Morse	Robertson
Benson, D.D.	Frederickson	Laidig	Murphy	Runbeck
Benson, J.E.	Hanson	Langseth	Neuville	Sams
Berg	Hottinger	Larson	Novak	Samuelson
Berglin	Janezich	Lesewski	Oliver	Spear
Bertram	Johnson, D.E.	Lessard	Olson	Stevens
Betzold	Johnson, D.J.	Luther	Pariseau	Stumpf
Chandler	Johnson, J.B.	Marty	Piper	Terwilliger
Chmielewski	Johnson	McGowan	Pogemiller	Vickerman
Cohen	Kelly	Merriam	Price	Wiener

So the bill passed and its title was agreed to.

H.F. No. 381: A bill for an act relating to education; revising the mailing requirement for notices of referendum revenue authorization elections; amending Minnesota Statutes 1992, section 124A.03, 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	Day	Krentz	Mondale	Riveness
Anderson	Dille	Kroening	Morse	Robertson
Beckman	Finn	Laidig	Murphy	Runbeck
Belanger	Flynn	Langseth	Neuville	Sams
Benson, D.D.	Hanson	Larson	Novak	Samuelson
Benson, J.E.	Hottinger	Lesewski	Oliver	Solon
Berg	Janezich	Lessard	Olson	Spear
Berglin	Johnson, D.J.	Luther	Pariseau	Stevens
Bertram	Johnson, J.B.	Marty	Piper	Stumpf
Betzold	Johnson	McGowan	Pogemiller	Terwilliger
Chandler	Kelly	Merriam	Price	Vickerman
Chmielewski	Kiscaden	Metzen	Ranum	Wiener
Cohen	Knutson	Moe, R.D.	Reichgott	

So the bill passed and its title was agreed to.

H.F. No. 1527: A bill for an act relating to education; providing for school district elections in independent school district Nos. 404, 408, and 583.

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	Dille	Krentz	Morse	Runbeck
Anderson	Finn	Kroening	Murphy	Sams
Beckman	Flynn	Laidig	Neuville	Samuelson
Belanger	Frederickson	Langseth	Novak	Solon
Benson, D.D.	Hanson	Larson	Oliver	Spear
Benson, J.E.	Hottinger	Lesewski	Olson	Stevens
Berg	Janezich	Lessard	Pariseau	Stumpf
Berglin	Johnson, D.E.	Luther	Piper	Terwilliger
Bertram	Johnson, D.J.	Marty	Pogemiller	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	
Day	Knutson	Mondale	Robertson	

So the bill passed and its title was agreed to.

### SUSPENSION OF RULES

Mr. Moe, R.D. moved that the rules of the Senate be so far suspended as to waive the lie-over requirement for the remainder of the Consent Calendar. The motion prevailed.

H.F. No. 86: A bill for an act relating to state government; extending expiration date of governor's residence council; providing for four additional public members; amending Minnesota Statutes 1992, section 16B.27, 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	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 754: A bill for an act relating to elections; requiring annual removal of registration cards of deceased registrants; requiring annual update of the statewide registration system; amending Minnesota Statutes 1992, section 201.13.

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	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

H.F. No. 1100: A bill for an act relating to insurance; regulating the health coverage reinsurance association; amending Minnesota Statutes 1992, sections 62L.02, by adding a subdivision; 62L.13, subdivisions 1, 3, and 4; 62L.14, subdivisions 2, 4, 6, and 7; 62L.15, subdivision 2; 62L.16, subdivision 5, and by adding a subdivision; 62L.19; and 62L.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 67 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Robertson
Anderson	Finn	Kroening	Murphy	Runbeck
Beckman	Flynn	Laidig	Neuville	Sams
Belanger	Frederickson	Langseth	Novak	Samuelson
Benson, D.D.	Hanson	Larson	Oliver	Solon
Benson, J.E.	Hottinger	Lesewski	Olson	Spear
Berg	Janezich	Lessard	Pappas	Stevens
Berglin	Johnson, D.E.	Luther	Pariseau	Stumpf
Bertram	Johnson, D.J.	Marty	Piper	Terwilliger
Betzold	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kelly	Metzen	Ranum	
Cohen	Kiscaden	Moe, R.D.	Reichgott	
Day	Knutson	Mondale	Riveness	

So the bill passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Metzen in the chair.

After some time spent therein, the committee arose, and Mr. Metzen reported that the committee had considered the following:

S.F. Nos. 334, 441, 183, 764, 96, 1148 and H.F. Nos. 654 and 295, which the committee recommends to pass.

S.F. No. 577, which the committee recommends to pass with the following amendment offered by Mr. Murphy:

Page 1, delete section 1.

Page 1, after line 29, insert:

“Sec. 3. Minnesota Statutes 1992, section 152.0971, subdivision 3, is amended to read:

Subd. 3. [SUPPLIER.] A “supplier” is a manufacturer, wholesaler, retailer, or any other person in this *or any other* state who furnishes a precursor substance to another person in this state.”

Page 3, after line 23, insert:

“Sec. 7. Minnesota Statutes 1992, section 152.0973, is amended by adding a subdivision to read:

*Subd. 2a. [REPORT OF MISSING PRECURSOR SUBSTANCE.] A supplier or purchaser who discovers a discrepancy between the quantity of precursor substance shipped and the quantity of precursor substance received shall report the discrepancy to the bureau of criminal apprehension within three days of knowledge of the discrepancy. The report must include:*

- (1) the complete name and address of the purchaser;*
- (2) the type of precursor substance missing;*
- (3) whether the precursor substance is missing due to theft, loss, or shipping discrepancy;*
- (4) the method of delivery used;*
- (5) the name of the common carrier or person who transported the substance; and*
- (6) the date of shipment.”*

Page 3, line 28, after “license” insert: “number”

Pages 4 to 6, delete sections 8 to 11 and insert:

“Sec. 9. Minnesota Statutes 1992, section 152.0973, subdivision 4, is amended to read:

Subd. 4. [RETENTION OF RECORDS.] A supplier shall retain a copy of the report reports filed under this section subdivisions 1, 2, and 2a for five years. A purchaser shall retain a copy of reports filed under subdivisions 1a and 2a for five years.

Sec. 10. Minnesota Statutes 1992, section 152.0973, is amended by adding a subdivision to read:

*Subd. 5. [INSPECTIONS.] All records relating to sections 152.0971 to 152.0974 shall be open to inspection by the bureau of criminal apprehension during regular business hours.*

Sec. 11. Minnesota Statutes 1992, section 152.0973, is amended by adding a subdivision to read:

*Subd. 6. [PENALTIES.] (a) A person who does not submit a report as required by subdivision 1a is guilty of a misdemeanor.*

*(b) A person who knowingly submits a report required by subdivision 1a with false or fictitious information is guilty of a gross misdemeanor.*

*(c) A person who is convicted a second or subsequent time of violating paragraph (a) is guilty of a gross misdemeanor if the subsequent offense occurred after the earlier conviction."*

Page 6, line 4, delete "9" and insert "10" and delete "10" and insert "11"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 7, delete "1" and insert "3"

Page 1, line 8, after the second semicolon, insert "and"

Page 1, line 9, after the third comma, insert "4," and delete "a"

Page 1, line 10, delete "subdivision" and insert "subdivisions." and delete "; and 152.0974; proposing coding for new"

Page 1, delete lines 11 to 13

The motion prevailed. So the amendment was adopted.

S.F. No. 688, which the committee recommends to pass with the following amendment offered by Ms. Krentz:

Page 4, delete section 7

Amend the title as follows:

Page 1, line 8, delete everything after "subdivision"

Page 1, line 9, delete everything before the period

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 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. 454, 622 and 806.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 14, 1993

**FIRST READING OF HOUSE BILLS**

The following bills were read the first time and referred to the committees indicated.

H.F. No. 454: A bill for an act relating to economic development; requiring a summary of performance measures for business loan or grant programs from the department of trade and economic development; amending Minnesota Statutes 1992, section 116J.58, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

H.F. No. 622: A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.11; and 473H.12.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 695.

H.F. No. 806: A bill for an act relating to commerce; prohibiting smoking in designated nonsmoking hotel rooms; allowing reimbursement to innkeepers for actual costs resulting from violation; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 327.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 666, 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. 1403. The motion prevailed.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1403: A bill for an act relating to utilities; expanding duties of chair of public utilities commission; amending Minnesota Statutes 1992, section 216A.03, subdivision 3a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 8, strike "shall be" and insert "is"

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Ms. Berglin from the Committee on Health Care, to which was referred

H.F. No. 134: A bill for an act relating to occupations and professions; requiring licensed optometrists to be certified by the board of optometry to prescribe topical legend drugs; authorizing the prescription of topical legend drugs by licensed optometrists who are board certified; requiring reports; modifying the definition of practice of medicine; amending Minnesota Statutes 1992, sections 147.081, subdivision 3; 148.572; 148.574; 151.01, subdivision 23; and 151.37, by adding a subdivision; 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 4, after line 31, insert:

*"Subd. 2. [GLAUCOMA TREATMENT.] When prescribing or using topical legend drugs for the treatment of glaucoma, the treating optometrist must communicate and collaborate with a physician licensed to practice medicine in Minnesota so long as this collaboration and communication is agreed to by the patient."*

Page 4, line 32, delete "2" and insert "3"

Page 5, line 13, delete "2" and insert "3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was re-referred

S.F. No. 29: A bill for an act relating to education; establishing a comprehensive youth apprenticeship system; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 126B.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1532: A bill for an act relating to landlord and tenant; restricting recovery if tenant owes rent; modifying owner's obligation to furnish rent certificate; allowing recovery under parol leases; allowing expedited proceedings; imposing penalties; amending Minnesota Statutes 1992, sections 290A.19; 504.02, subdivision 1, and by adding a subdivision; 566.03, by adding a subdivision; and 566.06; proposing coding for new law in Minnesota Statutes, chapters 290A; 504; and 566.

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 1992, section 504.02, subdivision 1, is amended to read:

Subdivision 1. [ACTION TO RECOVER.] (a) In case of a lease of real property, when the landlord has a subsisting right of reentry for the failure of the tenant to pay rent the landlord may bring an action to recover possession of the property and such action is equivalent to a demand for the rent and a reentry upon the property; but if, at any time before possession has been delivered to the plaintiff on recovery in the action, the lessee or a successor in interest as to the whole or any part of the property pays to the plaintiff or brings into court the amount of the rent then in arrears, with interest and costs of the action, and an attorney's attorney fee not exceeding \$5, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the

original lease unless an action is pending under section 566.03, subdivision 5, for recovery of the property alleging a material violation of the lease.

(b) If the tenant has paid to the plaintiff or brought into court the amount of rent in arrears but is unable to pay the interest, costs of the action, and attorney fees required by this subdivision, the court may permit the defendant to pay these amounts into court and be restored to possession within the same period of time, if any, which the court stays the issuance of the writ of restitution pursuant to section 566.09.

(c) Prior to or after commencement of an action to recover possession for nonpayment of rent, the parties may agree only in writing that partial payment of rent in arrears which is accepted by the landlord prior to issuance of the order granting restitution of the premises pursuant to section 566.09 may be applied to the balance due and does not waive the landlord's action to recover possession of the premises for nonpayment of rent.

(d) Rental payments under this subdivision must first be applied to rent claimed as due in the complaint from prior rental periods before applying any payment toward rent claimed in the complaint for the current rental period, unless the court finds that under the circumstances the claim for rent from prior rental periods has been waived.

Sec. 2. [504.257] [UNLAWFUL DESTRUCTION OR NONPAYMENT; DAMAGES.]

*An action may be brought for willful and malicious destruction of leased residential rental property. The prevailing party may recover actual damages, costs, and reasonable attorney fees, as well as other equitable relief as determined by the court.*

Sec. 3. Minnesota Statutes 1992, section 566.03, is amended by adding a subdivision to read:

*Subd. 5. (a) An action for recovery of the premises may combine the allegation of nonpayment of rent and the allegation of material violation of the lease, which shall be heard as alternative grounds.*

*(b) In cases where rent is outstanding, a tenant is not required to pay into court the amount of rent in arrears, interest, and costs as required under section 504.02 to defend against an allegation by the landlord that the tenant has committed a material violation of the lease.*

*(c) If the landlord does not prevail in proving material violation of the lease, and the landlord has also alleged that rent is due, the tenant shall be permitted to present defenses to the court that the rent is not owing. The tenant shall be given up to seven days of additional time to pay any rent determined by the court to be due. The court may order the tenant to pay rent and any costs determined to be due directly to the landlord or to be deposited with the court.*

Sec. 4. [566.051] [EXPEDITED PROCEEDINGS.]

*A landlord, agent, or other person acting under the landlord's direction or control may request expedited temporary relief by bringing an action under section 609.748 or Minnesota Rules of Civil Procedure, rule 65.01, in conjunction with a complaint filed under section 566.05."*

Delete the title and insert:

"A bill for an act relating to landlord and tenant; modifying action to recover leased premises; providing for actions for destruction of leased residential rental property; allowing expedited proceedings; amending Minnesota Statutes 1992, sections 504.02, subdivision 1; and 566.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504; and 566."

And when so amended the bill do pass and be re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

H.F. No. 661: A bill for an act relating to agriculture; regulating dairy trade practices; providing for fees; changing enforcement procedures; amending Minnesota Statutes 1992, sections 32A.01; 32A.02; 32A.04; 32A.05, subdivisions 1, 4, and by adding subdivisions; 32A.07; 32A.071; 32A.08; and 32A.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 32A; repealing Minnesota Statutes 1992, sections 32A.03; 32A.05, subdivision 3; and 32A.09, subdivisions 5 and 6.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the report from the Committee on Environment and Natural Resources, adopted by the Senate April 8, 1993, as follows:

Page 3, after line 25, insert:

"Subd. 18. [RESPONSIBLE PERSON.] *"Responsible person" means the business entity that makes payment to individual Grade A or B milk producers.*"

Page 3, line 26, delete "18" and insert "19"

Page 3, line 29, delete "19" and insert "20"

Page 3, line 32, delete "20" and insert "21"

Page 4, line 1, delete "21" and insert "22"

Page 4, line 8, delete "22" and insert "23"

Page 4, line 15, delete "23" and insert "24"

Page 4, line 23, delete "24" and insert "25"

Page 4, line 28, delete "25" and insert "26"

Page 4, line 32, delete "26" and insert "27"

Page 5, line 6, delete "27" and insert "28"

Page 5, line 9, delete "28" and insert "29"

Page 20, after line 8, insert:

"Subd. 2c. [EQUALIZATION POOL.] *Any amounts collected by the commissioner under subdivision 2a must be deposited in the state treasury and credited to an equalization account. Money in the account is appropriated to the commissioner to redistribute the payments at a uniform rate to Minnesota Grade A and B milk producers. The commissioner may make*

*payments to a responsible person, who in turn must pay Grade A and B milk producers at the uniform distribution rate."*

Amend the title amendment as follows:

Page 25, line 18, after the semicolon, insert "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1407: A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; creating a higher education instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; authorizing the state board of community colleges to use higher education facilities authority revenue bonds to construct student residences; creating three accounts in the permanent university fund and making allocations from the accounts; providing tuition exemptions at technical colleges for Southwest Asia veterans; prescribing changes in eligibility and in duties and responsibilities for certain financial assistance programs; establishing grant programs to promote recruitment and retention initiatives by nurses training and teacher education programs directed toward persons of color; establishing grant programs for nursing students and students in teacher education programs who are persons of color; establishing an education to employment transitions system; amending Minnesota Statutes 1992, sections 136A.101, subdivisions 1 and 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; 136A.233, subdivisions 2 and 3; 136C.13, subdivision 4; 136C.61, subdivision 7; and 137.022, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; proposing coding for new law as Minnesota Statutes, chapter 126B; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 31, delete "S.F. No. 29" and insert "article 8"

Page 4, line 53, delete "Minnesota" and after "Network" insert "of Minnesota"

Page 4, line 54, delete "Minnesota educational network" and insert "Educational Network of Minnesota"

Page 5, line 2, delete "higher education"

Page 13, line 17, delete "MINNESOTA" and after "NETWORK" insert "OF MINNESOTA"

Page 13, line 23, delete "in higher education"

Page 13, line 25, delete "A higher education" and insert "An"

Page 13, lines 28 and 36, delete "higher education"

Page 13, lines 34 and 35, delete "higher education"

Page 14, line 1, after "telecommunications" insert "network"

Page 14, line 2, delete "higher education"

Page 14, line 5, after "system," insert "a representative of the higher education board, a regional telecommunications coordinator, one member of the senate appointed by the subcommittee on committees of the committee on rules and administration, one member of the house of representatives appointed by the speaker,"

Page 14, lines 31 and 32, delete "higher education"

Page 15, lines 16 and 17, delete "higher education"

Page 16, line 17, delete "higher education"

Page 17, line 5, delete "higher education"

Page 19, delete lines 33 to 36 and insert:

"Subd. 4. [MINERAL RESEARCH; SCHOLARSHIPS.] (a) All income to the permanent university fund from mineral permits issued after December 31, 1991, and from royalties under mineral leases entered into after December 31, 1991, must be allocated as provided in this subdivision."

Page 20, line 1, delete "accrual, to a total of" and insert "income, up to"

Page 20, line 2, delete "in accruals" and insert a comma

Page 20, delete lines 7 and 8

Page 20, line 9, delete "percent of the accrual" and insert:

"(2) The remainder"

Page 20, line 22, delete "or" and insert "and" and after "losses" insert "and portfolio income"

Page 20, line 31, delete "retroactive" and insert "retroactively"

Page 20, line 32, delete "accruals" and insert "income"

Page 25, line 30, strike "No" and insert "An" and strike "shall be employed under the state"

Page 25, strike line 31

Page 25, line 32, strike "the approval of the institution, a full-time student"

Page 25, line 33, strike "a part-time student" and insert "less than half-time"

Amend the title as follows:

Page 1, line 8, delete "a higher education" and insert "an"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

S.F. No. 1503: A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; 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.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

##### Section 1. [APPROPRIATION SUMMARY – ALL ARTICLES.]

	1993	1994	1995	TOTAL
General	\$630,000	\$246,003,000	\$257,282,000	\$503,915,000
Environmental		40,000	40,000	80,000
Special Revenue		4,596,000	4,596,000	9,192,000
Trunk Highway		974,000	975,000	1,949,000
<b>TOTAL</b>	<b>630,000</b>	<b>251,613,000</b>	<b>262,893,000</b>	<b>515,136,000</b>

#### ARTICLE 2

##### Section 1. [CRIMINAL JUSTICE; APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal years indicated for each purpose. The figures “1993,” “1994,” and “1995,” where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993; June 30, 1994, or June 30, 1995, respectively.

#### SUMMARY BY FUND

	1994	1995	TOTAL
General	\$219,417,000	\$231,035,000	\$450,452,000
Special Revenue	4,136,000	4,136,000	8,272,000
<b>TOTAL</b>	<b>223,553,000</b>	<b>235,171,000</b>	<b>458,724,000</b>

#### APPROPRIATIONS Available for the Year Ending June 30

1994                      1995

Sec. 2. BOARD OF PEACE OFFICER STANDARDS AND TRAINING	4,136,000	4,136,000
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This appropriation is from the peace officers training account in the special revenue fund. Any funds deposited in the peace officer training account in the special revenue fund in fiscal year 1994 or

fiscal year 1995 in excess of \$4,136,000 must be transferred and credited to the general fund.

By February 1, 1994, the peace officer standards and training board shall report and make recommendations regarding reimbursements to local units of government for continuing education. This report shall include state and local goals for peace officer education, curriculum requirements for reimbursement, and an analysis of the current availability and quality of programs. The board shall develop a recommendation regarding a methodology for reimbursement that allocates resources equitably across the state and within a local unit of government; that reimburses for actual expenses incurred; and that ensures accountability for the use of reimbursement funds.

The board also shall make recommendations regarding the use of appropriations from penalty assessments for the improvement of law enforcement education, such as development of graduate programs, scholarships, research programs, and degree incentive programs.

### Sec. 3. BOARD OF PUBLIC DEFENSE

Subdivision 1. Total Appropriation	25,651,000	25,825,000
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None of this appropriation shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

The amounts that may be spent from this appropriation for each program are specified in this subdivision and the following subdivisions.

#### Subd. 2. State Public Defender

2,497,000	2,583,000
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During the biennium, legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions.

#### Subd. 3. District Public Defense

21,724,000	21,812,000
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Of this appropriation, \$551,000 the first year and \$619,000 the second year are for

provision of group insurance coverage to district public defenders who meet the eligibility standards set by the board of public defense in consultation with the commissioner of employee relations.

Of this appropriation, \$872,000 the first year and \$912,000 the second year are for the first phase of the implementation of weighted caseload standards in the third, fifth, sixth, seventh, eighth, and ninth judicial districts.

Subd. 4. Board of Public Defense

1,430,000      1,430,000

Sec. 4. CORRECTIONS

192,985,000      204,450,000

The amounts that may be spent from the appropriation for each program and activity are more specifically described in the following subdivisions.

For the biennium ending June 30, 1995, and notwithstanding Minnesota Statutes, section 243.51, the commissioner of corrections may enter into agreements with the appropriate officials of any state, political subdivision, or the United States, for housing prisoners in Minnesota correctional facilities. Money received under the agreements is appropriated to the commissioner for correctional purposes.

Positions and administrative money may be transferred within the department of corrections as the commissioner considers necessary, upon the advance approval of the commissioner of finance.

For the biennium ending June 30, 1995, the commissioner of corrections may, with the approval of the commissioner of finance, transfer funds to or from salaries.

Subdivision 1. Correctional Institutions

131,761,000      139,133,000

During the biennium ending June 30, 1995, whenever offenders are assigned for the purpose of work under agreement with a state department or agency, local unit of government, or any other government subdivision, the state department, agency, local unit of government, or other government subdivision must certify to the appropriate bargaining agent that the



work performed by inmates will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits.

(a) MCF-Faribault	13,852,000	14,216,000
(b) MCF-Red Wing	6,897,000	7,120,000
(c) MCF-Lino Lakes	12,170,000	12,541,000
(d) MCF-Shakopee	6,571,000	9,648,000
(e) MCF-Willow River/Moose Lake	12,367,000	18,077,000
(f) MCF-Sauk Centre	5,024,000	5,025,000
(g) Thistledeew Camp	18,000	18,000
(h) MCF-Stillwater	27,306,000	28,062,000
(i) MCF-St. Cloud	19,570,000	20,187,000
(j) MCF-Oak Park Heights	15,038,000	15,500,000
(k) Health Care	5,348,000	5,825,000
(l) Education	365,000	370,000
(m) Institution Support Services	7,235,000	2,544,000

#### Subd. 2. Community Services

46,385,000      50,325,000

Of this appropriation, \$750,000 is for subsidy funds to Stearns county under the community corrections subsidy program to be available for fiscal year 1995.

(a) Probation and Supervised Release	7,638,000	8,038,000
(b) Community Corrections Act	25,802,000	28,078,000
(c) Community Correctional Alternatives	5,191,000	5,746,000
(d) Facilities Planning and Inspection	1,189,000	1,448,000
(e) Community Services Support	6,565,000	7,015,000

#### Subd. 3. Management Services

14,839,000      14,992,000

(a) Administrative Management	1,937,000	2,025,000
(b) Financial Management	631,000	653,000
(c) Office Services	970,000	940,000

(d) Personnel	648,000	671,000
(e) Training	461,000	472,000
(f) Information and Analysis	1,762,000	1,787,000
(g) Victim Services	8,430,000	8,444,000
Sec. 5. CORRECTIONS OMBUDSMAN	444,000	444,000
Sec. 6. SENTENCING GUIDELINES COMMISSION	337,000	316,000
Sec. 7. UNCODIFIED LANGUAGE		

All uncodified language contained in this article expires on June 30, 1995, unless a different expiration is explicit.

Sec. 8. Minnesota Statutes 1992, section 3.732, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the housing finance agency, the higher education coordinating board, the higher education facilities authority, the armory building commission, the zoological board, the iron range resources and rehabilitation board, the state agricultural society, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. *Notwithstanding section 611.263, for purposes of this section and section 3.736 only, "employee of the state" includes: (i) a state, district or assistant public defender appointed by the state board of public defense, including those in the second and fourth judicial districts, or a person performing public defense work under contract to a state or district public defender, including persons performing public defense work for public defense corporations under section 611.216; and (ii) an investigator or dispositional advisor or other employee in the district public defender system.*

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 9. Minnesota Statutes 1992, section 43A.02, subdivision 25, is amended to read:

Subd. 25. [JUDICIAL BRANCH.] "Judicial branch" means all judges of the appellate courts, all employees of the appellate courts, including commissions, boards, and committees established by the supreme court, the board of law examiners, the law library, the office of the *state public defender, district public defenders and their employees*, all judges of all courts of law, district court referees, judicial officers, court reporters, law clerks, district administration employees under section 484.68, court administrator or employee of the court and guardian ad litem program employees in the eighth judicial district, and other agencies placed in the judicial branch by law. Judicial branch does not include district administration *or public defenders or their employees* in the second and fourth judicial districts, court administrators or their staff under chapter 485, guardians ad litem, or other employees within the court system whose salaries are paid by the county, other than employees who remain on the county payroll under section 480.181, subdivision 2.

Sec. 10. Minnesota Statutes 1992, section 43A.24, subdivision 2, is amended to read:

Subd. 2. [OTHER ELIGIBLE PERSONS.] The following persons are eligible for state paid life insurance and hospital, medical, and dental benefits as determined in applicable collective bargaining agreements or by the commissioner or by plans pursuant to section 43A.18, subdivision 6, or by the board of regents for employees of the University of Minnesota not covered by collective bargaining agreements. Coverages made available, including optional coverages, are as contained in the plan established pursuant to section 43A.18, subdivision 2.

(a) a member of the state legislature, provided that changes in benefits resulting in increased costs to the state shall not be effective until expiration of the term of the members of the existing house of representatives. An eligible member of the state legislature may decline to be enrolled for state paid coverages by filing a written waiver with the commissioner. The waiver shall not prohibit the member from enrolling the member or dependents for optional coverages, without cost to the state, as provided for in section 43A.26. A member of the state legislature who returns from a leave of absence to a position previously occupied in the civil service shall be eligible to receive the life insurance and hospital, medical, and dental benefits to which the position is entitled;

(b) a permanent employee of the legislature or a permanent employee of a permanent study or interim committee or commission or a state employee on leave of absence to work for the legislature, during a regular or special legislative session;

(c) a judge of the appellate courts or an officer or employee of these courts; a judge of the district court, a judge of county court, a judge of county municipal court, or a judge of probate court; a district court referee, judicial officer, court reporter, or law clerk; a district administrator; an employee of the office of the district administrator that is not in the second or fourth judicial district; a court administrator or employee of the court administrator

in the eighth judicial district, and a guardian ad litem program administrator in the eighth judicial district;

(d) a salaried employee of the public employees retirement association;

(e) a full-time military or civilian officer or employee in the unclassified service of the department of military affairs whose salary is paid from state funds;

(f) a salaried employee of the Minnesota historical society, whether paid from state funds or otherwise, who is not a member of the governing board;

(g) an employee of the regents of the University of Minnesota;

(h) notwithstanding section 43A.27, subdivision 3, an employee of the state of Minnesota or the regents of the University of Minnesota who is at least 60 and not yet 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent insurance and benefits pursuant to section 43A.18 or other law, who has at least 20 years of service and retires, earlier than required, within 60 days of March 23, 1982; or an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has at least 20 years of state service and retires, earlier than required, from employment at Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not yet 65 years of age on July 1, 1982, and is covered by the Minnesota state retirement system correctional employee retirement plan or the state patrol retirement fund, who has at least 20 years of state service and retires, earlier than required, within 60 days of March 23, 1982. For purposes of this clause, a person retires when the person terminates active employment in state or University of Minnesota service and applies for a retirement annuity. Eligibility shall cease when the retired employee attains the age of 65, or when the employee chooses not to receive the annuity that the employee has applied for. The retired employee shall be eligible for coverages to which the employee was entitled at the time of retirement, subject to any changes in coverage through collective bargaining or plans established pursuant to section 43A.18, for employees in positions equivalent to that from which retired, provided that the retired employee shall not be eligible for state-paid life insurance. Coverages shall be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program; and

(i) an employee of an agency of the state of Minnesota identified through the process provided in this paragraph who is eligible to retire prior to age 65. The commissioner and the exclusive representative of state employees shall enter into agreements under section 179A.22 to identify employees whose positions are in programs that are being permanently eliminated or reduced due to federal or state policies or practices. Failure to reach agreement identifying these employees is not subject to impasse procedures provided in chapter 179A. The commissioner must prepare a plan identifying eligible employees not covered by a collective bargaining agreement in accordance with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph, a person retires when the person terminates active employment in state service and applies for a retirement annuity. Eligibility ends as provided in the agreement or plan, but must cease at the end of the month in which the retired employee chooses not to receive an annuity, or the employee is eligible for employer-paid health insurance from a new employer. The retired employees shall be 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 shall not be eligible for state-paid life insurance; and

*(j) employees of the state public defender's office, and district public defenders and their employees other than in the second and fourth judicial districts, with eligibility determined by the state board of public defense in consultation with the commissioner of employee relations.*

Sec. 11. Minnesota Statutes 1992, section 241.01, subdivision 5, is amended to read:

Subd. 5. [TRAINING PROGRAM.] For the maintenance of adequate standards of operation in discharging the functions of the department, obtaining suitable candidates for positions for which there is a scarcity of qualified applicants, and the development of more effective treatment programs directed toward the correction and rehabilitation of persons found delinquent or guilty of crimes, and of more effective delinquency prevention the commissioner of corrections shall establish a training program including but not limited to in-service, preservice, internship and scholarship programs, and an operational research program. Within the limits of appropriations available, the commissioner may provide educational stipends or tuition reimbursement in such amounts and upon such terms and conditions as may be determined jointly by the commissioner of employee relations. Within the limits of appropriations therefor the commissioner shall establish and provide personnel, facilities and equipment for research and study to evaluate the effectiveness of correctional treatment in camps, facilities, probation and parole investigation and supervision and delinquency prevention.

*The commissioner may provide training to public or private agencies or organizations and may require the participating agencies or organizations to pay all or part of the costs of the training. All sums of money received pursuant to the agreements 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 during that period, and are hereby appropriated annually to the commissioner of corrections for the purposes of this subdivision.*

Sec. 12. Minnesota Statutes 1992, section 242.195, subdivision 1, is amended to read:

Subdivision 1. [SEX OFFENDER PROGRAMS.] *(a) The commissioner of corrections shall provide for a range of sex offender programs, including intensive sex offender programs, for juveniles within state juvenile correctional facilities and through purchase of service from county and private residential and outpatient juvenile sex offender programs.*

*(b) The commissioner shall establish and operate a juvenile residential sex offender program at one of the state juvenile correctional facilities. The program must be structured to address both the therapeutic and disciplinary needs of juvenile sex offenders. The program must afford long-term residential treatment for a range of juveniles who have committed sex offenses and have failed other treatment programs or are not likely to benefit from an outpatient or a community-based residential treatment program.*

Sec. 13. Minnesota Statutes 1992, section 242.51, is amended to read:

242.51 [THE MINNESOTA CORRECTIONAL FACILITY-SAUK CENTRE.]

There is established the Minnesota correctional facility-Sauk Centre at Sauk Centre, Minnesota, in which may be placed persons committed to the commissioner of corrections by the courts of this state who, in the opinion of the commissioner, may benefit from the programs available thereat. The general control and management of the facility shall be under the commissioner of corrections.

*The commissioner shall charge counties or other appropriate jurisdictions for the actual per diem cost of confinement of juveniles at the Minnesota correctional facility-Sauk Centre.*

*The commissioner shall annually determine costs making necessary adjustments to reflect the actual costs of confinement. All money received under this section must be deposited to the general fund.*

Sec. 14. Minnesota Statutes 1992, section 401.13, is amended to read:

401.13 [CHARGES MADE TO COUNTIES.]

Each participating county will be charged a sum equal to the actual per diem cost of confinement of those juveniles committed to the commissioner after August 1, 1973, and confined in a state correctional facility. ~~Provided, however, that the amount charged a participating county for the costs of confinement shall not exceed the amount of subsidy to which the county is eligible.~~ The commissioner shall annually determine costs making necessary adjustments to reflect the actual costs of confinement. ~~However, in no case shall the percentage increase in the amount charged to the counties exceed the percentage by which the appropriation for the purposes of sections 401.01 to 401.16 was increased over the preceding biennium.~~ The commissioner of corrections shall bill the counties and deposit the receipts from the counties in the general fund. All charges shall be a charge upon the county of commitment.

Sec. 15. Minnesota Statutes 1992, section 611.20, is amended to read:

611.20 [SUBSEQUENT ABILITY TO PAY COUNSEL.]

*Subdivision 1. [COURT DETERMINATION.]* If at any time after the state public defender or a district public defender has been directed to act, the court having jurisdiction in the matter is satisfied that the defendant or other person is financially able to obtain counsel or to make partial payment for the representation, the court may ~~shall~~ terminate the appointment of the public defender, unless the person so represented is willing to pay therefor. ~~If a public defender continues the representation, the court shall direct payment for such representation as the interests of justice may dictate. Any payments directed by the court shall be recorded by the court administrator, who shall transfer the payments to the governmental unit responsible for the costs of the public defender.~~ The judicial district may investigate the financial status of a defendant or other person for whom a public defender has been appointed and may act to collect payments directed by the court.

If at any time after appointment a public defender should have reason to believe that a defendant is financially able to obtain counsel or to make partial payment for counsel, it shall be the public defender's duty to so advise the court so that appropriate action may be taken.

*Subd. 2. [PARTIAL PAYMENT.]* *If the court determines that the defendant is able to make partial payment, the court shall direct the partial payments to*

*the governmental unit responsible for the costs of the public defender. Payments directed by the court to the state shall be recorded by the court administrator who shall transfer the payments to the state treasurer.*

*Subd. 3. [REIMBURSEMENT.] In each fiscal year, the state treasurer shall deposit the first \$180,000 in the general fund. Payments in excess of \$180,000 shall be deposited in the general fund and credited to a separate account with the board of public defense. The amount credited to this account is appropriated to the board of public defense to reimburse the costs of attorneys providing part-time public defense services on a retainer basis in all districts except the second and fourth.*

*The balance of this account does not cancel but is available until expended. Expenditures by the board from this account for each judicial district public defense office must be based on the amount of the payments received by the state from the courts in each judicial district.*

Sec. 16. Minnesota Statutes 1992, section 611.25, subdivision 3, is amended to read:

*Subd. 3. [DUTIES.] The state public defender shall prepare an annual a biennial report to the board and a report to the governor, the legislature, and the supreme court on the operation of the state public defender's office, district defender systems, and public defense corporations. The biennial report is due on or before the beginning of the legislative session following the end of the biennium. The state public defender may require the reporting of statistical data, budget information, and other cost factors by the chief district public defenders and appointed counsel systems. The state public defender shall design and conduct programs for the training of all state and district public defenders, appointed counsel, and attorneys for public defense corporations funded under section 611.26. The state public defender shall establish policies and procedures to administer the district public defender system, consistent with standards adopted by the state board of public defense.*

Sec. 17. [611.265] [TRANSITION.]

*(a) District public defenders and their employees, other than in the second and fourth judicial districts, are state employees in the judicial branch, and are governed by the personnel rules adopted by the state board of public defense.*

*(b) A district public defender or district public defender employee who becomes a state employee under this section, and who participated in a county insurance program on the day before the effective date of this section, may elect to continue to participate in the county program according to procedures established by the board of public defense. An affected county shall bill the board of public defense for employer contributions, in a manner prescribed by the board. The county shall not charge the board any administrative fee. Notwithstanding any law to the contrary, a person who is first employed as a district public defender after the effective date of this section shall participate in the state employee insurance program, as determined by the state board of public defense in consultation with the commissioner of employee relations.*

*(c) A district public defender or district public defender employee who becomes a state employee under this section, and who participated in the public employee retirement association on the day before the effective date of*

*this section, may elect to continue to participate in the public employee retirement association according to procedures established by the board of public defense and the association. Notwithstanding any law to the contrary, a person who is first employed as a state employee or by a district public defender after the effective date of this section must participate in the Minnesota state retirement system.*

*(d) A person performing district public defender work who does not become a state employee is not eligible to be covered under the state group insurance plan or the public employee retirement association after December 31, 1993.*

Sec. 18. Minnesota Statutes 1992, section 626.861, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICERS TRAINING ACCOUNT.] Receipts from penalty assessments must be credited to a peace officer training account in the special revenue fund. ~~For fiscal years 1993 and 1994, The peace officers standards and training board shall, and after fiscal year 1994 may, allocate~~ *make the following allocations from appropriated funds, net of operating expenses, as follows:*

*(1) for fiscal year 1994:*

*(i) at least 25 percent for reimbursement to ~~board approved~~ board-approved skills courses; and*

~~(ii)~~ *(ii) at least 13.5 percent for the school of law enforcement;*

*(2) for fiscal year 1995:*

*(i) at least 17 percent to the community college system for one-time start-up costs associated with the transition to an integrated academic program;*

*(ii) at least eight percent for reimbursement to board-approved skills courses in the technical college system; and*

*(iii) at least 13.5 percent for the school of law enforcement.*

The balance in each year 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. 19. [AUTOMATED PROBATION REPORTING SYSTEM PILOT PROGRAM.]

*Subdivision 1. [GRANT AWARD.] The commissioner of corrections may award a grant not to exceed \$100,000 to a county for the purpose of demonstrating the feasibility of a pilot automated probation reporting system.*

*Subd. 2. [APPLICATION STUDIES.] In developing and implementing the pilot automated probation reporting system, the county shall:*

*(1) measure the effectiveness and potential cost of applying the reporting system technology to the county's adult probation population;*

*(2) study the potential for establishing a centralized state data bank which would more rapidly and accurately measure and determine criminal histories*



and fingerprint data of all felony, gross misdemeanor, and misdemeanor offenders; and

(3) study the application of the reporting system technology towards the elimination of fraud and abuse in other human resource areas including the electronic benefit transfer program.

Subd. 3. [PARTICIPATION REQUIREMENTS.] The county shall provide a minimum of 1.5 full-time equivalent positions and other in-kind services necessary to operate this program.

Subd. 4. [REPORT.] The county shall report the results of its studies and the pilot program to the commissioner of corrections and the chairs of the house of representatives judiciary finance division and the senate crime prevention finance division by July 1, 1994.

Sec. 20. [REPEALER.]

Minnesota Statutes 1992, section 241.43, subdivision 2, is repealed. Section 15, subdivision 3, is repealed June 30, 1997.

Sec. 21. [EFFECTIVE DATE.]

Section 13 is effective the day following final enactment. Section 14 is effective July 1, 1994.

ARTICLE 3

Section 1. [APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal years indicated for each purpose. The figures "1993," "1994," and "1995," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$630,000	\$24,134,000	\$24,061,000	\$48,825,000
Environmental		40,000	40,000	80,000
Special Revenue		460,000	460,000	920,000
Trunk Highway		974,000	975,000	1,949,000
<b>TOTAL</b>	<b>630,000</b>	<b>25,610,000</b>	<b>25,538,000</b>	<b>51,778,000</b>

APPROPRIATIONS  
Available for the Year  
Ending June 30

1993                      1994                      1995

Sec. 2. PUBLIC SAFETY

Subdivision 1. Total Appropriation	630,000	25,547,000	25,475,000
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## Summary by Fund

General	630,000	24,073,000	24,000,000
Environmental		40,000	40,000
Special Revenue		460,000	460,000
Trunk Highway		974,000	975,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

## Subd. 2. Emergency Management

630,000	2,005,000	1,941,000
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## Summary by Fund

General	630,000	1,965,000	1,901,000
Environmental		40,000	40,000

Of the amount appropriated for fiscal year 1993, \$545,000 is to match federal funds for tornado damage in southwestern Minnesota as provided by Presidential Disaster Declaration DSR946, awarded on June 22, 1992, and \$85,000 is to match federal funds for winter storm damage as provided by Presidential Disaster Declaration DSR929, awarded on December 26, 1991.

## Subd. 3. Criminal Apprehension

14,208,000	14,212,000
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## Summary by Fund

General	12,774,000	12,777,000
Special Revenue	460,000	460,000
Trunk Highway	974,000	975,000

\$200,000 the first year and \$200,000 the second year are for use by the bureau of criminal apprehension for the purpose of investigating cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$376,000 the first year and \$376,000 the second year from the bureau of criminal apprehension account in the special revenue fund are for laboratory activities.

\$94,000 the first year and \$94,000 the second year from the bureau of criminal apprehension account in the special reve-

nue fund are for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Subd. 4. Fire Marshal

2,495,000      2,481,000

Subd. 5. Capitol Security

1,420,000      1,420,000

Subd. 6. Liquor Control

636,000      636,000

Subd. 7. Gambling Enforcement

1,381,000      1,383,000

Subd. 8. Drug Policy and Violence Prevention

1,494,000      1,494,000

Of this appropriation, \$852,000 in each year of the biennium is to be distributed by the commissioner, after consulting with the chemical abuse prevention resource council, as follows:

\$66,000 each year to support the work of the chemical abuse prevention resource council. These funds may not be spent until the council's recommendation concerning the planned expenditures has been submitted to and considered by the commissioner of public safety;

\$174,000 each year to the commissioner of health to implement work plans regarding fetal alcohol syndrome research, training, public outreach, and policy development. These funds may not be spent until the council's recommendation concerning the planned expenditures has been submitted to and considered by the commissioner of health; and

\$612,000 each year to the commissioner of human services. These funds may not be spent until the council's recommendation concerning the planned expenditures has been submitted to and considered by the commissioner of human services. Of this amount, \$100,000 shall be used to develop a chemical health index model as

required by Minnesota Statutes 1992, section 299A.325, or other law; \$75,000 shall be used to encourage treatment programs to expand their diagnostic methods and treatment scope to treat individuals using combined mental health and chemical dependency programs; \$75,000 is for treatment programs for pregnant women and women with children; \$75,000 is for treatment programs for chemically dependent children from ages six to 12; and \$287,000 is for treatment programs for high-risk youth under Minnesota Statutes 1992, section 254A.14, subdivision 3.

Subd. 9. Crime Victims Services

1,835,000	1,835,000
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Notwithstanding any other law to the contrary, the crime victims reparations board shall, to the extent possible, distribute the appropriation in equal monthly increments.

In no case shall the total awards exceed the appropriation made in this subdivision.

Subd. 10. Crime Victims Ombudsman

73,000	73,000
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Sec. 3. PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD

63,000	63,000
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Sec. 4. UNCODIFIED LANGUAGE

All uncodified language contained in this article expires on June 30, 1995, unless a different expiration is explicit.

Sec. 5. [EFFECTIVE DATE.]

*The appropriation to the commissioner of public safety to match federal funds for tornado and winter storm damage is effective the day following final enactment.*

ARTICLE 4

Section 1. [APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal years indicated for each purpose. The figures "1993," "1994," and "1995,"

where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

## SUMMARY BY FUND

	1994	1995	TOTAL
General	\$2,450,000	\$2,184,000	\$4,634,000

APPROPRIATIONS  
Available for the Year  
Ending June 30

1994                      1995

Sec. 2. LAWFUL GAMBLING  
CONTROL BOARD

1,984,000                      1,984,000

This appropriation is contingent upon passage of separate legislation that would require a system of bar coding registration for gambling equipment to be effective in fiscal year 1995.

Sec. 3. RACING COMMISSION

466,000                      200,000

Sec. 4. [TRANSFERS.]

*Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.*

*Subd. 2. [CONSTITUTIONAL OFFICERS.] A constitutional officer need not get the approval of the commissioner of finance but must notify the committee on finance of the senate and the house of representatives ways and means committee before making a transfer under subdivision 1.*

*Subd. 3. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.*

Sec. 5. STATE LOTTERY BOARD

The director of the state lottery shall reimburse the general fund \$250,000 the first year and \$250,000 the second year for lottery-related costs incurred by the departments of public safety and human services.

Sec. 6. UNCODIFIED LANGUAGE

All uncodified language contained in this article expires on June 30, 1995, unless a different expiration is explicit.

Sec. 7. [CARRYFORWARD.]

*Unless otherwise restricted, unencumbered operating balances from fiscal year 1994 appropriations in this act are available for fiscal year 1995.*"

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; 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; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 241.01, subdivision 5; 242.195, subdivision 1; 242.51; 401.13; 611.20; 611.25, subdivision 3; and 626.861, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1992, sections 241.43, subdivision 2 and 611.20, subdivision 3."

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. 1251: 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; fixing and limiting accounts and fees; defining highway purpose; changing the county state-aid fund apportionment formula and the composition of the screening board; increasing motor fuel tax rate and requiring annual rate adjustment; increasing motor vehicle excise tax rate and transferring proceeds to transit assistance fund; amending Minnesota Statutes 1992, sections 11A.21, subdivision 1; 161.081; 161.39, by adding a subdivision; 162.02, subdivisions 7, 8, and by adding a subdivision; 162.07, subdivisions 1, 5, and 6; 169.121, subdivision 7; 169.123, subdivision 5a; 171.02, subdivision 1; 171.06, subdivision 2; 171.11; 171.22, subdivision 1; 174.02, by adding a subdivision; 174.32, subdivision 2; 296.02, subdivisions 1a, 1b, and by adding a subdivision; 296.025, subdivision 1a; 297B.02, subdivision 1; and 297B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 171.20, subdivision 1; 296.01, subdivision 4; and 296.026.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete line 6 and insert:

"Transit Assistance	65,700,000	66,238,000	131,938,000"
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Page 2, delete line 15 and insert:

"TOTAL	\$385,000	1,281,159,000	1,301,552,000	2,583,096,000"
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Page 2, delete line 29 and insert:

"Transit Assistance	16,100,000	16,223,000"
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Page 4, delete line 7 and insert:

“Subd. 3. Transit            16,398,000            16,523,000”

Page 4, delete line 9 and insert:

“Transit Assistance        16,100,000            16,223,000”

Page 4, delete line 20 and insert:

“15,640,000            15,768,000”

Page 9, delete line 4 and insert:

“Sec. 3. REGIONAL TRANSIT BOARD        49,600,000            50,015,000”

Page 10, after line 33, insert:

“\$553,000 the first year and \$1,105,000 the second year are for the development of new drivers’ licenses and identification cards, to be issued beginning January 1, 1994, that are more difficult to alter.”

Page 16, line 5, strike “; provided, that”

Page 16, line 12, after the stricken “1958” insert a period and delete “in” and insert:

“In”

Page 22, line 5, delete everything after the stricken “of”

Page 22, line 6, delete everything before “As”

Page 22, line 10, after the period, insert “*Money not so appropriated cancels to the general fund.*”

Page 24, lines 2 and 5, before “year” insert “calendar” in both places

Page 26, line 11, before “EFFECTIVE” insert a bracket

And when so amended the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. No. 1407 was read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 134 and 661 were read the second time.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Mr. Kroening introduced—

S.F. No. 1605: A bill for an act relating to insurance; automobile; regulating repair practices; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 65B.

Referred to the Committee on Commerce and Consumer Protection.

Mr. Hottinger introduced—

S.F. No. 1606: A bill for an act relating to state government; revising procedures dealing with professional and technical service contracts; appropriating money; amending Minnesota Statutes 1992, sections 15.061; 16A.11, by adding a subdivision; 16B.17; and 16B.19, subdivisions 2 and 10; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations and Reform.

Mr. Laidig introduced—

S.F. No. 1607: A bill for an act relating to liquor; authorizing the city of Stillwater to issue one additional on-sale license.

Referred to the Committee on Commerce and Consumer Protection.

Messrs. Cohen and Chandler introduced—

S.F. No. 1608: A bill for an act relating to the legislature; compensation of legislators; amending Minnesota Statutes 1992, section 3.099, subdivision 1.

Referred to the Committee on Governmental Operations and Reform.

Messrs. Sams, Morse and Murphy introduced—

S.F. No. 1609: A bill for an act relating to utilities; mandating studies of effects of earth as conductor of electricity, stray voltage, and electromagnetic fields; providing complaint procedure and remedies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216B.

Referred to the Committee on Jobs, Energy and Community Development.

Mr. Larson introduced—

S.F. No. 1610: A bill for an act relating to taxation; providing general property tax limitations for taxes payable in 1994; proposing coding for new law in Minnesota Statutes, chapter 275.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Merriam, Johnson, D.E. and Johnson, D.J. introduced—

S.F. No. 1611: A bill for an act relating to the department of finance; providing for state financial management reform; amending Minnesota Statutes 1992, sections 16A.04, subdivision 1; 16A.10, subdivision 2; 16A.11, subdivision 1, and by adding a subdivision; 16A.14, by adding a subdivision; 16A.15, subdivision 1; and 124.196; proposing coding for new law in Minnesota Statutes, chapters 3 and 16A.

Referred to the Committee on Finance.



**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 11:45 a.m., Friday, April 16, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRTY-SEVENTH DAY

St. Paul, Minnesota, Friday, April 16, 1993

The Senate met at 11:45 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 Senator Pat Piper.

The roll was called, and the following Senators answered to their names:

Adkins	Flynn	Langseth	Oliver	Sams
Anderson	Frederickson	Larson	Olson	Samuelson
Belanger	Hanson	Lesewski	Pappas	Spear
Benson, J.E.	Hottinger	Lessard	Pariseau	Stevens
Berg	Janezich	Luther	Piper	Stumpf
Berglin	Johnson, J.B.	Marty	Pogemiller	Terwilliger
Bertram	Johnston	Merriam	Price	Vickerman
Betzold	Kiscaden	Metzen	Ranum	Wiener
Chandler	Knutson	Mondale	Reichgott	
Chmielewski	Krentz	Morse	Riveness	
Dille	Kroening	Murphy	Robertson	
Finn	Laidig	Novak	Runbeck	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committee indicated.

April 7, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

## TRANSPORTATION REGULATION BOARD

Lyle G. Mehrkens, 1505 Woodland Dr., Red Wing, Goodhue County, has been appointed by me, effective April 7, 1993, for a term expiring on the first Monday in January, 1999.

(Referred to the Committee on Transportation and Public Transit.)

Warmest regards,  
Arne H. Carlson, Governor

April 13, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 98, 99, 313 and 434.

Warmest regards,  
Arne H. Carlson, Governor

April 14, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
313		23	5:02 p.m. April 13	April 14
99		24	5:05 p.m. April 13	April 14
98		25	5:08 p.m. April 13	April 14
434		26	5:10 p.m. April 13	April 14
	233	27	5:12 p.m. April 13	April 14

Sincerely,  
Joan Anderson Growe  
Secretary of State

April 15, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear President Spear:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 215 and 729.

Warmest regards,  
Arne H. Carlson, Governor

April 15, 1993

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Allan H. Spear  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1993 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 1993	Date Filed 1993
215		29	11:12 a.m. April 15	April 15
729		30	11:13 a.m. April 15	April 15
	399	31	11:15 a.m. April 15	April 15
	254	32	11:18 a.m. April 15	April 15

Sincerely,  
Joan Anderson Growe  
Secretary of State

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 592, 1523, 690, 768 and 1424.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 15, 1993

### FIRST READING OF HOUSE BILLS

The following bills were read the first time and referred to the committees indicated.

H.F. No. 592: A bill for an act relating to creditors' remedies; limiting the value of the homestead exemption; providing for the exemption of homestead

insurance proceeds; amending Minnesota Statutes 1992, sections 510.01; 510.02; 510.07; 510.08; and 550.175, subdivisions 3 and 4.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 576, now on General Orders.

H.F. No. 1523: A bill for an act relating to insurance; establishing and regulating the life and health guaranty association; providing for its powers and duties; amending Minnesota Statutes 1992, section 61A.02, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapter 61B; repealing Minnesota Statutes 1992, sections 61B.01; 61B.02; 61B.03; 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.

Referred to the Committee on Commerce and Consumer Protection.

H.F. No. 690: A bill for an act relating to retirement; public employees retirement association; disability benefits; reducing the reduction in benefits to coordinate them with amounts received under workers' compensation law for certain former employees.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 557, now on General Orders.

H.F. No. 768: A bill for an act relating to retirement; Minnesota state retirement system; authorizing a purchase of service credit by a former grain inspector.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 617, now on General Orders.

H.F. No. 1424: A bill for an act relating to pollution control; exempting certain storage tanks from notification, environmental protection, and tank installer training and certification requirements; amending Minnesota Statutes 1992, section 116.47.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 975, now on General Orders.

## REPORTS OF COMMITTEES

Mr. Luther moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 891, 53, 1185, 184 and 1241. The motion prevailed.

Mr. Metzger from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 240: A bill for an act relating to health; changing the membership requirements of the board of nursing; amending Minnesota Statutes 1992, section 148.181, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 9 and 10, strike "shall consist" and insert "*consists*"

Page 1, line 11, strike the first "shall" and insert "*must*"

Page 1, lines 12, 13, 14, 17, 20, and 25, strike "shall" and insert "*must*"

Page 1, line 24, delete "*shall*" and insert "*must*"

Page 2, lines 1, 2, 3, and 5, strike "*shall*" and insert "*must*"

Page 2, lines 9 and 12, strike "*shall be*" and insert "*are*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 891: A bill for an act relating to labor; requiring arbitration in certain circumstances; establishing procedures; providing penalties; amending Minnesota Statutes 1992, sections 179.06, by adding a subdivision; and 179A.16, subdivision 3, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 17, delete "*the board*" and insert "*be ready for binding arbitration*"

And when so amended the bill do pass. Ms. Runbeck questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 785: A bill for an act relating to labor; establishing rights and duties in relation to union organization; providing that certain acts are an unfair labor practice; proposing penalties; amending Minnesota Statutes 1992, sections 179.12; 179A.07, by adding a subdivision; and 179A.13, subdivision 2.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1193: A bill for an act relating to employment; requiring wage payments at certain times; amending Minnesota Statutes 1992, section 181.101.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1487: A bill for an act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 474A.047, subdivision 1; and 474A.061, subdivision 2a.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

*Subd. 4. [METROPOLITAN AREA.] “Metropolitan area” has the meaning given it in section 473.121, subdivision 2.*

Sec. 2. Minnesota Statutes 1992, section 462A.221, is amended by adding a subdivision to read:

*Subd. 5. [SUBSTANTIAL REHABILITATION.] “Substantial rehabilitation” means rehabilitation of at least \$5,000 per unit.*

Sec. 3. Minnesota Statutes 1992, section 462A.222, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION PROCEDURE.] (a) Projects will be awarded tax credits in three competitive rounds on an annual basis. The date for applications for each round must be determined by the agency. No allocating agency may award tax credits prior to the application dates established by the agency.

(b) Each allocating agency must meet the requirements of section 42(m) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax credits and the selection of projects.

(c) For applications submitted for the first round, an allocating agency may allocate tax credits only to the following types of projects:

(1) *in the metropolitan area:*

(i) *new construction or substantial rehabilitation single-room occupancy projects which are affordable by households whose income does not exceed 30 percent of the median income;*

(2) *(ii) new construction or substantial rehabilitation family housing projects in which at least 75 percent of the units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms; or*

(3) *(iii) substantial rehabilitation projects in neighborhoods targeted by the city for revitalization;*

(2) *outside the metropolitan area, projects which meet a locally identified housing need and which are in short supply in the local housing market as evidenced by credible data submitted with the application;*

(3) *projects in which a percentage of the units are set aside and rented to persons:*

(i) *with a serious and persistent mental illness as defined in section 245.462, subdivision 20, paragraph (c);*

(ii) *with a developmental disability as defined in United States Code, title 42, section 6001, paragraph (5), as amended through December 31, 1990;*

(iii) *who have been assessed as drug dependent persons as defined in section 254A.02, subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in section 254A.02, subdivision 2;*

(iv) with a brain injury as defined in section 256B.093, subdivision 4, paragraph (a); or

(v) with physical disabilities if at least 50 percent of the units are accessible as provided under Minnesota Rules, chapter 1340;

(4) projects which preserve existing subsidized housing which is subject to prepayment if the use of tax credits is necessary to prevent conversion to market rate use; or

(5) projects financed by the Farmers Home Administration which meet statewide distribution goals.

(d) Before the date for applications for the second round, the allocating agencies other than the agency shall return all uncommitted and unallocated tax credits to the pool from which they were allocated, along with copies of any allocation or commitment. In the second round, the agency shall allocate the remaining credits from the regional pools to projects from the respective regions.

(e) In the third round, all unallocated tax credits must be transferred to a unified pool for allocation by the agency on a statewide basis.

(f) Unused portions of the state ceiling for low-income housing tax credits reserved to cities and counties for allocation may be returned at any time to the agency for allocation."

Page 8, delete section 5 and insert:

"Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 3, 5, and 7 are effective the day following final enactment. Section 5 applies to mortgage bonds allocated on or after April 1, 1993."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "462A.221, by adding subdivisions; 462A.222, 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. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 53: A bill for an act relating to labor; regulating employment of children; establishing a child labor curfew; providing penalties; amending Minnesota Statutes 1992, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, after "p.m." insert "unless the student has supplied the employer with a note from a parent or guardian of the student authorizing the student to work until 11:30 p.m."

Page 2, line 20, after "p.m." insert "unless the student has supplied the



*employer with a note from a parent or guardian of the student authorizing the student to work until 11:30 p.m."*

Page 2, line 28, delete "50" and insert "100"

Page 3, line 8, strike "5" and insert "25"

Page 3, lines 13 and 14, delete "181A.12, subdivision 1, clause (e)" and insert "181A.04, subdivision 6"

Page 3, line 15, delete "181A.12, subdivision 1, clause (e)" and insert "181A.04, subdivision 6"

Page 3, after line 16, insert:

*"An employer who knowingly employs a child in violation of section 181A.04 is guilty of a gross misdemeanor if the violation results in the death of the child or substantial or greater bodily harm to the child. For the purposes of this subdivision, "substantial bodily harm" has the meaning given it in section 609.02, subdivision 7a."*

And when so amended the bill do pass. Mrs. Benson, J.E. 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 and Consumer Protection, to which was referred

S.F. No. 1226: A bill for an act relating to insurance; the comprehensive health association; clarifying the duties of the association and the authority of the commissioner of commerce; increasing the cigarette and tobacco product taxes to defray the cost of claims made under coverages provided by the association; repealing obsolete language; appropriating money; amending Minnesota Statutes 1992, sections 62E.08; 62E.09; 62E.10, subdivision 9; 297.02, subdivision 1; 297.13, by adding a subdivision; and 297.32, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 62E; repealing Laws 1992, chapter 549, article 9, section 17.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 30, before "adjusted" insert ", or are"

Page 2, lines 1 and 17, after "be" insert a comma

Page 2, lines 5, 16, and 21, before "adjusted" insert ", or are"

Page 2, line 6, after "be" insert a comma and after "one" insert "individual"

Page 2, line 22, after "be" insert a comma and after "two" insert "individual"

Page 2, line 35, before "adjusted" insert ", or are" and after "be" insert a comma

Page 3, line 4, before "adjusted" insert ", or are" and after "be" insert a comma

Page 5, line 36, delete "60" and insert "45"

Page 6, line 3, delete "solely"

Page 6, delete lines 22 and 23

Page 6, line 24, delete "(1)" and insert "(f)"

Page 6, line 27, delete "(2)" and insert "(g)"

Page 6, line 28, delete "and"

Page 6, line 29, delete "(3)" and insert "(h)"

Page 6, line 32, delete "(g)" and insert "(i)" and delete the period and insert "; and

*(j) other criteria relevant to the criteria contained in clauses (f), (g), (h), and (i) of this section."*

Page 7, line 2, after "approve" insert ", modify,"

Page 7, line 6, delete "60" and insert "45"

Page 7, line 18, strike the second "and" and insert "62C," and after "62D" insert ", and 62E"

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. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1232: A resolution memorializing Congress to consider the impact of the North American Free Trade Agreement on state sovereignty, the need for full legislative deliberation, and the withdrawal of NAFTA from the current fast-track procedures.

Reports the same back with the recommendation that the resolution be amended as follows:

Page 1, lines 9 and 10, delete "would" and insert "could"

Page 1, line 26, delete "places" and insert "may place"

Page 2, line 2, after "governments" insert "may"

Page 2, line 3, delete "is secret and provides no" and insert "may provide inadequate"

Page 2, line 5, after "has" insert "adequately"

Page 2, line 14, after "that" insert "may"

And when so amended the resolution do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1528: A bill for an act relating to insurance; Medicare supplement; regulating coverages; conforming state law to federal requirements; making technical changes; amending Minnesota Statutes 1992, sections 62A.31, subdivisions 1, 4, and by adding a subdivision; 62A.315; 62A.316; 62A.318;

62A.36, subdivision 1; 62A.39; 62A.436; and 62A.44, subdivision 2; Laws 1992, chapter 554, article 1, section 18.

Reports the same back with the recommendation that the bill be amended as follows:

Page 10, line 11, after the period, insert:

“*Subd. 1t. [NOTICE OF LACK OF DRUG COVERAGE.]*” and after “Each” insert “*policy or*”

Page 10, line 30, before the period, insert “, *except as permitted under subdivision 1b*”

Page 11, line 19, delete “*subject to*” and insert “*and*”

Page 11, line 23, after “*program*” insert “*or state law*”

Page 14, line 20, reinstate the stricken “*copayment*”

Page 15, delete lines 4 to 10 and insert:

“(2) a minimum of 80 percent of ~~usual and customary~~ eligible medical expenses, ~~not to exceed any charge limitation established by the Medicare program,~~ and supplies not covered by Medicare part B. ~~This does not include outpatient prescription drugs, not to exceed any charge limitation established by the Medicare program or state law;~~”

Page 34, line 20, after “date” insert “, *except that subdivision 1, paragraph (r), of section 1 applies to policies or certificates issued before or after that date*”

Page 34, after line 21, insert:

“Sec. 12. [REVISOR INSTRUCTION.]

*The revisor of statutes shall renumber Minnesota Statutes 1992, section 62A.31, subdivision 1a, as subdivision 6 of that section.*”

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was referred

S.F. No. 1229: A bill for an act relating to guardianship; providing for delegation of certain duties under the public guardianship for persons with mental retardation act; appropriating money; amending Minnesota Statutes 1992, section 252A.111, subdivision 5.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 74: A bill for an act relating to local government; authorizing the city of Minneapolis, special school district No. 1, the city library board, and the city park and recreation board to impose residency requirements.

Reports the same back with the recommendation that the bill do pass.  
Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 237: A bill for an act relating to counties; providing procedures for the combination of the offices of auditor and treasurer; amending Minnesota Statutes 1992, section 375A.10, subdivision 5.

Reports the same back with the recommendation that the bill do pass.  
Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 498: A bill for an act relating to St. Louis county; solid waste management; clarifying St. Louis county contracting authority to include management operations; modifying contracting procedure; amending Minnesota Statutes 1992, section 383C.807, 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. 869: A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires in forest areas; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; 88.22; and 88.76; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.01, subdivision 23; 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11; and Minnesota Rules, parts 7005.0705; 7005.0715; 7005.0725; 7005.0735; and 7005.0745.

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 1992, section 88.01, subdivision 2, is amended to read:

Subd. 2. [DIVISION.] “Division” or “the division” means the division of ~~lands and forestry in the department of natural resources.~~

Sec. 2. Minnesota Statutes 1992, section 88.01, subdivision 6, is amended to read:

Subd. 6. [FOREST WILDFIRE AREAS.] ~~Every A county now or hereafter having within its boundaries any tract or area of 1,000, or more, contiguous acres of standing or growing timber or of unbroken prairie land or of cutover timber land not cleared or otherwise denuded of combustible or inflammable growth trees, brush, grasslands, or other vegetative material where the~~

*potential for wildfire exists, is hereby declared to be a forest area; and every other county is hereby declared not to be such forest wildfire area.*

Sec. 3. Minnesota Statutes 1992, section 88.01, subdivision 8, is amended to read:

Subd. 8. [BACKFIRE.] "Backfire" means a fire intentionally started ahead of, or in the path of, an approaching forest or prairie fire wildfire for the purpose of burning back toward that forest or prairie fire the wildfire so that when the two fires meet both will die for lack of fuel.

Sec. 4. Minnesota Statutes 1992, section 88.01, subdivision 15, is amended to read:

Subd. 15. [IMPROVEMENT.] "Improvement" includes any act or thing done, or which may be done, and any construction made or structure erected or which may be made or erected, and any removal from any land of trees, brush, stumps, or other debris, which reasonably tend to prevent or abate forest fires wildfires.

Sec. 5. Minnesota Statutes 1992, section 88.01, subdivision 23, is amended to read:

Subd. 23. [OPEN FIRE; OPEN BURNING.] "Open fire" or "open burning" means a fire burning in matter, whether concentrated or dispersed, which is not contained within a fully enclosed firebox, structure or vehicle and from which the products of combustion are emitted directly to the open atmosphere without passing through a stack, duct or chimney.

Sec. 6. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 24. [WILDFIRE.] "Wildfire" means a fire requiring suppression action, burning any forest, brush, grassland, cropland, or other vegetative material.

Sec. 7. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 25. [CAMPFIRE.] "Campfire" means a fire set for cooking, warming, or ceremonial purposes, that is not more than three feet in diameter by three feet high, and around which the ground is reasonably clear of all combustible material within five feet of the base of the fire.

Sec. 8. Minnesota Statutes 1992, section 88.01, is amended by adding a subdivision to read:

Subd. 26. [SNOW-COVERED.] "Snow-covered" means that the ground has a continuous, unbroken cover of snow, to a depth of three inches or more, surrounding the immediate area of a fire sufficient to keep the fire from spreading.

Sec. 9. Minnesota Statutes 1992, section 88.02, is amended to read:

88.02 [CITATION, FORESTRY WILDFIRE ACT.]

Sections 88.02 to ~~88.21~~ 88.22 may be cited as the forestry wildfire act.

Sec. 10. Minnesota Statutes 1992, section 88.03, is amended to read:

88.03 [CODIFICATION.]

Sections 88.03 to ~~88.21~~ 88.22 shall be deemed and construed as a codification, revision, and expansion of, and as supplementary to, and taking the place of, the laws which existed at the time of the passage of Laws 1925, chapter 407, relating to forestry and to forest and prairie fires wildfires, including Laws 1911, chapter 125, and acts amendatory thereof and supplemental thereto; Laws 1913, chapter 159; Laws 1915, chapter 325; Extra Session Laws 1919, chapters 32 and 33, but without abridging or destroying any rights, obligations, liabilities, or penalties from, or under, any of such laws prior to the taking effect of Laws 1925, chapter 407. Sections 88.03 to ~~88.21~~ shall 88.22 apply only to the forest wildfire areas of this state. In the prosecution of any a civil or criminal prosecution action commenced under sections 88.03 to 88.22, or a proceeding thereunder, it shall is not be necessary to prove that any a county comes within the purview thereof is a wildfire area, but the contrary may be proven by any party to such the action or proceeding.

Sec. 11. Minnesota Statutes 1992, section 88.04, is amended to read:

88.04 [FIREBREAKS; PREVENTION OF FIRES.]

Subdivision 1. The commissioner shall cooperate with the state highway authorities and with the supervising officers of the various towns and cities in the construction of firebreaks along section lines and public highways.

Subd. 2. All cities in the state situated in any forest a wildfire area are hereby authorized to clear off all combustible material and debris and create at least two good and sufficient firebreaks of not less than ten feet in width each, which shall completely encircle such municipalities at a distance of not less than 20 rods apart, between which backfires may be set or a stand made to fight forest fires wildfires in cases of emergency.

Subd. 3. All towns and cities shall take necessary precautions to prevent the starting and spreading of forest or prairie fires wildfires and to extinguish them. They may levy a tax not more than 0.08059 percent of taxable market value annually. The tax in any municipality shall not exceed \$3,000 in any year. The tax when collected shall be known as the fire fund and kept separate from all other funds and used only to pay all necessary and incidental expenses incurred in enforcing the provisions of sections 88.03 to ~~88.21~~ 88.22. Up to \$500 shall be expended in any one year from any such fire fund for the support of any municipal fire department. No municipality shall make any levy for its fire fund at any time when the fund contains \$5,000 or more, including cash on hand and uncollected taxes that are not delinquent.

Subd. 4. In all towns constituted within any of the forest wildfire protection districts which may be established by the commissioner, the respective town and city officers and employees shall cooperate with, and be under the general supervision and direction of, the commissioner.

Sec. 12. Minnesota Statutes 1992, section 88.041, is amended to read:

88.041 [INTERSTATE FOREST FIRE WILDFIRE PREVENTION AND SUPPRESSION AGREEMENTS.]

The commissioner may enter into agreements with other states and the Canadian and provincial governments to cooperatively prevent and suppress forest fires wildfires.

Sec. 13. Minnesota Statutes 1992, section 88.05, is amended to read:

## 88.05 [ROADSIDES, CLEARING; FIREBREAKS.]

All highways, roads, and trails within ~~forest wildfire~~ areas are declared to be established firebreaks and for that purpose the state, through the department of natural resources, is authorized to clean up all dead and down timber, all underbrush, rotting logs, stumps, and all other ~~inflammable combustible~~ refuse and debris along each side of these highways, roads, and trails for a distance of 200 feet on each side from the center thereof, all of this material to be burned or disposed of under the supervision of a ~~forestry forest~~ officer in such manner as not to injure the growing timber.

All dead and usable timber taken out of these roadsides shall be piled for the immediate removal thereof by the owners of the land from which the same was removed.

Sec. 14. Minnesota Statutes 1992, section 88.06, is amended to read:

## 88.06 [DEAD OR DOWN TIMBER; REMOVAL.]

The commissioner may permit, under the commissioner's direct supervision and control, any civilian conservation corps, works progress administration, or other state or federal relief agency actually engaged in the improvement and conservation of state trust fund lands within the boundaries of any state forest to clean up and remove all dead or down timber, underbrush, rotting logs, stumps, and all other ~~inflammable combustible~~ refuse and debris which is deemed to be a fire hazard, or the removal of any trees in forest stand improvement and cultural operations which is advisable in the interest of good forest management; and to use so much of these cuttings for firewood and other forest development needs while these camps are thus actively engaged in the improvement and care of these forests.

Sec. 15. Minnesota Statutes 1992, section 88.065, is amended to read:

## 88.065 [EQUIPMENT FURNISHED.]

Subject to applicable provisions of state laws respecting purchases, the commissioner of natural resources may purchase for and furnish to any governmental subdivisions of the state authorized to engage in ~~forest fire wildfire~~ prevention or suppression materials or equipment therefor, and may transport, repair, and renovate ~~forest fire wildfire~~ prevention and suppression materials and equipment for governmental subdivisions of the state. The commissioner may use any funds available for the purchase of ~~forest fire wildfire~~ prevention or suppression equipment or for its repair, transportation, and renovation under federal grants, if permitted by the terms thereof, or under state appropriations, unless otherwise expressly provided. Except as otherwise authorized or permitted by federal or state laws or regulations, the governmental subdivision receiving any such materials or services shall reimburse the state for the cost. All moneys received in reimbursement shall be credited to the fund from which the purchase, transportation, repair, or renovation was made, and are hereby reappropriated annually and shall be available for the same purpose as the original appropriation.

Sec. 16. Minnesota Statutes 1992, section 88.067, is amended to read:

## 88.067 [TRAINING OF LOCAL FIRE DEPARTMENTS.]

The commissioner may make grants for training of ~~volunteer~~ fire departments in techniques of fire control that will enable them to assist the state more effectively in controlling ~~forest fires wildfires~~. The commissioner may

require a local match for any grant. Training shall be provided to the extent practicable in coordination with other public agencies with training and educational responsibilities.

Sec. 17. Minnesota Statutes 1992, section 88.08, is amended to read:

**88.08 [FOREST FIRE WILDFIRE PROTECTION DISTRICTS.]**

The commissioner may create and establish ~~forest fire~~ wildfire protection districts, including all lands of both state and private ownership, upon which there is a probability of ~~forest and brush fires~~ wildfires starting, and establish forest officers over these districts. All such ~~forest protection~~ wildfire districts heretofore established and now in existence are hereby continued until and unless hereafter abolished by the commissioner.

Sec. 18. Minnesota Statutes 1992, section 88.09, subdivision 2, is amended to read:

Subd. 2. [PURCHASE, LEASE, OR CONDEMNATION.] The commissioner may on behalf of the state, where no suitable state lands are available, purchase, lease or acquire easements on small tracts or parcels of lands, not exceeding 40 acres in area, ~~or costing more than \$1500 for any single tract,~~ to be used as locations for fire lookout towers, warehouses, or other buildings of any kind, or as locations for firebreaks, or for any other use which the commissioner may deem suitable; also acquire by condemnation any tract of land, not exceeding 40 acres, for these purposes; also acquire, by gift, purchase, or condemnation, any easement or right of way that may be necessary to provide access to any tract of land so acquired.

Sec. 19. Minnesota Statutes 1992, section 88.10, is amended to read:

**88.10 [FIGHTING FOREST FIRES, WILDFIRES; PERFORMANCE OF DUTY; AUTHORITY OF STATE FOREST OFFICERS.]**

Subdivision 1. Under the direction of the commissioner, forest officers are charged with preventing and extinguishing ~~forest fires~~ wildfires in their respective districts and the performance of such other duties as may be required by the commissioner. They may arrest without warrant any person found violating any provisions of sections 88.03 to 88.22, take the person before a court of competent jurisdiction in the county charging the person so arrested, and the person so charged shall be arraigned and given a hearing on the complaint. The forest officers shall not be liable in civil action for trespass committed in the discharge of their duties. All authorized state forest officers, ~~including rangers, guards, township fire wardens, conservation officers,~~ smoke chasers, fire supervisors or individuals legally employed as firefighters, may in the performance of their duties of fire fighting go onto the property of any person, company, or corporation and in so doing may set backfires, dig or plow trenches, cut timber for clearing fire lines, dig water holes, remove fence wires to provide access to the fire or carry on all other customary activities necessary for the fighting of ~~forest, prairie or brush fires~~ wildfires without incurring a liability to anyone, except for damages arising out of willful or gross negligence.

Subd. 2. Any forest officer may serve any warrant for the arrest of any person violating any provision of sections 88.03 to 88.22 ~~and for that purpose all forest officers are hereby vested with the same powers as constables or other similar officers of the courts issuing such warrants.~~



Sec. 20. Minnesota Statutes 1992, section 88.11, subdivision 2, is amended to read:

Subd. 2. Any able-bodied person so summoned who refuses or neglects or otherwise fails to assist in extinguishing such fire or who fails to make all reasonable efforts to that end, until released by the summoning state employee, shall be guilty of a misdemeanor and punished by a fine of not less than \$10 and not more than \$50 and the costs of prosecution, or by imprisonment in the county jail for not less than 10, nor more than 30, days. The forest officer shall have power to commandeer, for the time being, equipment, tools, appliances, or other property in the possession of any person either summoned to assist in extinguishing the fire or in the vicinity thereof, and to use, and to require the persons summoned to use, the commandeered property in the fighting and extinguishing of the fire. The owner of any property so commandeered shall be promptly paid just compensation for the use thereof and all damages done to the commandeered property while in this use by the forest officer from any money available for these expenses under sections 88.03 to ~~88.21~~ 88.22.

Sec. 21. Minnesota Statutes 1992, section 88.12, is amended to read:

**88.12 [COMPENSATION OF FIGHTERS OF FOREST FIRES WILD-FIRES; EMERGENCY EXPENSES.]**

Subdivision 1. [LIMITATION.] The compensation and expenses of persons temporarily employed in emergencies in suppression or control of forest fires wildfires shall be fixed by the commissioner of natural resources or an authorized agent and paid as provided by law. Such compensation shall not exceed the maximum rate for comparable labor established as provided by law or rules, but shall not be subject to any minimum rate so established. The commissioner is authorized to draw and expend from money appropriated for the purposes of sections 88.03 to ~~88.21~~ 88.22 a reasonable sum, not to exceed \$5,000 at any one time, and through forestry forest officers or other authorized agent be used in agents, for paying emergency expenses, including just compensation for services rendered by persons summoned and for private property used, damaged, or appropriated under sections 88.03 to ~~88.21~~ 88.22. The commissioner of finance is authorized to draw a warrant for this sum when duly approved by the commissioner. The commissioner or agent in charge shall take proper subvouchers or receipts from all persons to whom these moneys are paid, and after these subvouchers have been approved they shall be filed with the commissioner of finance. Authorized funds as herein provided at any time shall be deposited, subject to withdrawal or disbursement by check or otherwise for the purposes herein prescribed, in a bank authorized and bonded to receive state deposits; and the bond of this bank to the state shall cover and include this deposit.

Subd. 2. [CONTRACTS FOR SERVICES FOR FORESTRY OR FIRE WILDFIRE PREVENTION WORK; COMMISSIONS TO PERSONS EMPLOYED.] The commissioner is hereby authorized and empowered to contract for or accept the services of any and all persons whose aid is available, temporarily or otherwise, in forestry or fire wildfire prevention work, either gratuitously or for compensation not in excess of the limits provided by law with respect to the employment of labor by the commissioner. The commissioner may issue a commission, or other written evidence of authority, to any such person whose services are so arranged for; and may thereby empower such person to act, temporarily or otherwise, as fire warden,

or in any other capacity, with such powers and duties as may be specified in the commission or other written evidence of authority, but not in excess of the powers conferred by law on forest officers.

Sec. 22. Minnesota Statutes 1992, section 88.14, is amended to read:

**88.14 [DISPOSAL OF SLASHINGS AND DEBRIS.]**

Subdivision 1. Where and whenever in the judgment of the commissioner or any forest officer there is or may be danger of starting and spreading of fires *wildfires* from slashings and debris from the cutting of timber of any kind and for any purpose, or from any accumulation of sawdust, shavings, chips, bark, edgings, slabs, or other ~~inflammable~~ *combustible* refuse from the manufacture of lumber or other timber products the commissioner, or forest officer, shall order the person by or for whom the timber or timber products have been or are being cut or manufactured to dispose of such slashings, debris, or refuse as the state employee may direct. Where conditions do not permit the burning of the slashings, debris, or refuse over the entire area so covered, the commissioner may require ~~such~~ *the* person to dispose of the ~~same~~ *materials* in such a way as to establish a safe fire line around the area requiring such protection, the fire line to be of a width and character satisfactory to the commissioner, or otherwise to dispose of the ~~same~~ *materials* so as to eliminate the ~~fire~~ *wildfire* hazard therefrom.

Subd. 2. When ~~any a~~ person who has been directed by the commissioner, or a forest officers *officer* to dispose of such slashings, debris, or refuse fails to comply with these directions the person ~~shall be deemed is~~ guilty of a misdemeanor; and, on conviction thereof, punished by a fine of not less than \$25, and not exceeding \$100, and costs of prosecution; or by imprisonment in the county jail for not less than ten and not exceeding 90 days, and each day during which the failure to comply with the requirements of the commissioner continues shall be deemed a separate and distinct violation of sections 88.02 to 88.21; but any number of these offenses may be prosecuted as separate counts of one charge or information.

Subd. 3. When any such slashings, debris, or refuse are not disposed of or are left unattended for *more than 30 days*, contrary to the instructions of the commissioner, or forest officer, the commissioner, or ~~any a~~ forest officer or fire warden, may go upon the premises with as many workers as may be necessary and burn or otherwise dispose of the ~~same~~ *materials* and the expense thereof ~~shall be is~~ a lien ~~upon~~ on the land on which they are situated and ~~upon all~~ on contiguous lands of the same owner, and also upon all logs and other timber products cut or manufactured ~~upon all these~~ on the lands. This lien ~~shall have~~ has the same effect and may be enforced in the same manner as a judgment in favor of the state for money. An itemized statement verified by the oath of the commissioner, or forest officer, of the amount of the costs and expenses incurred in burning or otherwise disposing of these slashings, debris, or refuse ~~shall must~~ be filed, within 90 days from the time the disposal thereof is completed, in the office of the county recorder of the county in which the timber or timber products were cut or manufactured; and the amount of the lien ~~shall be is~~ a valid claim that may be collected in a civil action from the person who cut or manufactured the wood, timber, or timber products from which the slashings, debris, or refuse were produced. Any moneys so collected ~~shall must~~ be paid into the state treasury and credited to the general fund.

Subd. 4. Any A person who cuts or fells trees or bushes of any kind in clearing land for any a roadbed or right-of-way for any a railroad, highway, or trail shall, in the manner and at the time as above prescribed, burn the slashings and properly dispose of all combustible material, except fuel and merchantable timber, which shall be promptly removed.

Subd. 5. Any A person who cuts or fells trees or bushes of any kind in clearing land for any purpose is hereby prohibited from setting may not set fire to any slashings, brush, roots, or excavated stumps or other combustible material on such the land and letting the fire run; but, and the same materials must be disposed of pursuant to the in accordance with rules or directions of the commissioner.

Subd. 6. Any A contractor who enters into a contract for the construction of a public road or other work, which that involves the cutting or grubbing of woods, standing timber, or brush, shall pile in the middle of the right of way all the slashings and debris so cut or grubbed therefrom and burn and properly dispose of such the slashings and debris without damage to adjoining timber or woods, which burning shall be done in a manner and, at a time satisfactory to the commissioner. The foregoing provisions shall do not prevent the leaving of such trees along roads as will be useful for ornamental and shade purposes and which that will not interfere with travel.

Subd. 7. Every A contract made by or on behalf of any a municipality or political subdivision of this state which that involves the cutting of any timber on the right of way right-of-way of a public highway shall must provide in terms for compliance with the foregoing provisions, but the failure to include this provision in the contract shall does not relieve the contractor from the duty to burn and properly dispose of these slashings.

Subd. 8. In all cases not herein provided for in subdivisions 1 to 7, where timber is cut in, upon, or adjoining any forest land and no specific directions are given by the commissioner, or forest officer, for the disposal of slashings and debris resulting therefrom, all such slashings and debris within 200 feet of any adjoining timber land or any a public highway, railroad, portage, or lake shore, shall nevertheless be piled in separate and compact piles ready for burning, which piling shall be done must be properly disposed of by the person by or for whom the timber was cut within 15 days after such timber was cut and such person shall thereafter make such further disposition of such slashings and debris as the commissioner, or forest officer, may direct.

Subd. 9. No Sawdust, shavings, chips, bark, edgings, slabs, or other inflammable combustible refuse from the manufacture of lumber or other timber products shall that the commissioner or an agent of the commissioner determines to be a wildfire hazard may not be made or deposited upon any public highway, portage, railroad, or lake shore, or within 100 feet thereof.

Sec. 23. Minnesota Statutes 1992, section 88.15, is amended to read:

88.15 [CAMP FIRES CAMPFIRES.]

Subdivision 1. [EXTINGUISHMENT.] Any road overseer or assistant of a road overseer or other local officer having charge of any highway, or any state trooper, A forest officer, conservation officer, or other peace officer who finds that any a person has left a camp fire campfire burning in the officer's district shall take measures to extinguish the same fire and take prompt measures to

prosecute action against the person who so left the fire or persons responsible for leaving the campfire burning.

Subd. 2. [NOT TO BE LEFT BURNING.] Every A person who when the ground is not covered with snow starts a fire in the vicinity of forest or prairie land campfire shall exercise every reasonable precaution to prevent the fire campfire from spreading and shall before lighting the same campfire clear the ground of all branches, brushwood, dry leaves, and other combustible material within a radius of five feet from the fire, and keep the fire under immediate personal supervision and control at all times, and carefully extinguish the fire before quitting the place base of the campfire. The person lighting the campfire shall remain with the campfire at all times and shall completely extinguish the campfire before leaving the site.

Sec. 24. Minnesota Statutes 1992, section 88.16, is amended to read:

**88.16 [STARTING FIRES; CAMPFIRE; INCINERATORS; BURNING BAN BURNERS; FAILURE TO REPORT A FIRE,]**

Subdivision 1. Except as provided in subdivision 2, it shall be *is* unlawful, when the ground is not snow covered, in any place where there are standing or growing native coniferous trees, or in areas of ground from which natural coniferous trees have been cut, or where there are slashings of such trees, or native brush, timber, slashings thereof, or excavated stumps, or where there is peat or peat roots excavated or growing, to start or have any *an* open fire without the written permission of the commissioner or other authorized, a forest officer, or an authorized fire warden.

Subd. 2. No A permit is *not* required for the following open fires:

(a) A cooking or warming fire contained in a fireplace, firering, charcoal grill, portable gas or liquid fueled camp stove or other similar container or device designed for the purpose of cooking or heating, or if the area within a radius of five feet of the fire is reasonably clear of all combustible material.

(b) The burning of grass, leaves, rubbish, garbage, branches, and similar combustible material in an approved incinerator. An approved incinerator shall be constructed of fire resistant material, have a capacity of at least three bushels, be maintained with a minimum burning capacity of at least two bushels, and have a cover which is closed when in use and openings in the top or sides of one inch maximum diameter. No combustible material shall be nearer than three feet to the burner or incinerator when in use. (1) a fire started when the ground is snow-covered, except as provided in section 88.17, subdivision 3;

(2) a campfire;

(3) a fire contained in a charcoal grill, camp stove, or other device designed for the purpose of cooking or heating; or

(4) a fire to burn dried vegetative materials and other materials allowed by law or rule in a burner of a design that has been approved by the commissioner if:

(i) the area within five feet of the base of the burner is reasonably clear of combustible material; and

(ii) the burner is in use only between the hours of 6:00 p.m. and 8:00 a.m. of the following day.

Subd. 3. The occupant of any premises upon which any A person with knowledge that an unauthorized fire is burning in the vicinity of forest lands on property occupied by the person, whether the fire was started by the occupant or otherwise, shall promptly report the fire to the commissioner, or to the nearest forest officer or fire warden nearest forestry office, fire department, or other proper authority. Failure to make this report shall be deemed a violation of sections 88.03 to 88.22 a misdemeanor and the occupant of the premises shall be deemed prima facie guilty of negligence if the unreported fire spreads from the premises to the property or causes damage, loss, or injury of the state or any person to another person, that person's property, or the state.

Sec. 25. Minnesota Statutes 1992, section 88.17, subdivision 1, is amended to read:

Subdivision 1. Permission A permit to set start a fire to any grass, stubble, peat, brush, raking of leaves, rubbish, garbage, branches, slashings or woods for the purpose of cleanup, clearing and improving land or preventing other fire shall burn vegetative materials and other materials allowed by law or rule may be given whenever the same may be safely burned, upon such reasonable conditions and restrictions as the commissioner may prescribe, to prevent same from spreading and getting beyond control by the commissioner or the commissioner's agent. This permission shall The permit must be in the form of a written permit signed by a regular forest officer, fire warden, authorized agent of the pollution control agency, or some other suitable person to be designated authorized by the forest officer, as town fire warden, these permits to be on forms furnished by the commissioner. Any person setting any fire or burning anything under such permit shall keep and must set the time and conditions under which the fire may be started and burned. The permit must also specifically list the materials that may be burned. The permittee must have the permit in immediate possession while so engaged on the permittee's person and shall produce and exhibit the permit for inspection when requested to any do so by a forest officer, when requested to do so conservation officer, or other peace officer. The permittee shall remain with the fire at all times and before leaving the site shall completely extinguish the fire. A person may not start or cause a fire to be started on land that is not owned by or under the legal control of the person without the written permission of the owner or lessee of the land or an agent of the owner or lessee. Violation of the permit conditions is a misdemeanor and is cause for the permit to be revoked.

Sec. 26. Minnesota Statutes 1992, section 88.17, is amended by adding a subdivision to read:

Subd. 3. [SPECIAL PERMITS.] (a) The special permits described in paragraphs (b) and (c) are required for the specified activities, even when the ground is snow-covered.

(b) The commissioner or an authorized agent of the commissioner may issue a permit to start a fire for the instruction and training of firefighters, including liquid fuels training. Except for owners or operators conducting fire training in specialized industrial settings under applicable federal, state, or local standards, owners or operators conducting open burning for the purpose of instruction and training of firefighters with regard to structures must follow the techniques described in "Structural Burn Training Procedures for the Minnesota Technical College System," issued by the Minnesota technical college system (Saint Paul, 1992).

(c) *The commissioner or an authorized agent of the commissioner may issue a permit for the operation of a permanent open burning site. Applicants for a permanent open burning site permit shall submit a complete application on a form provided by the commissioner. The owner or operator of a permanent open burning site in existence on August 1, 1993, must submit an application for a permit by November 1, 1993. Applications for new open burning sites must be submitted at least 90 days before the date of the proposed operation of the site. The application must be submitted to the commissioner and must contain:*

(1) *the name, address, and telephone number of all owners of the site proposed for use as the permanent open burning site;*

(2) *if the operator for the proposed permanent open burning site is different from the owner, the name, address, and telephone number of the operator;*

(3) *a general description of the materials to be burned, including the source and estimated quantity; and*

(4) *a topographic or similarly detailed map of the site and surrounding area within a one-mile circumference showing all structures that might be affected by the operation of the site.*

*Only trees, tree trimmings, or brush that cannot be disposed of by an alternative method such as chipping, composting, or another method may be burned at a permanent open burning site. A permanent open burning site must be located so as not to create a nuisance or endanger water quality.*

*For the purposes of this paragraph, "permanent open burning site" means a site at which open burning occurs continually for two or more weeks or at which there is recurring intermittent open burning of large volumes of vegetative material.*

**Sec. 27. [88.171] [OPEN BURNING PROHIBITIONS.]**

*Subdivision 1. [CONTINUAL.] The prohibitions in this section are in effect at all times of the year.*

*Subd. 2. [PROHIBITED MATERIALS.] A person may not conduct, cause, or permit open burning of oils, rubber, plastics, chemically-treated materials, or other materials that produce excessive or noxious smoke, including tires, railroad ties, chemically-treated lumber, composite shingles, tar paper, insulation, composition board, sheetrock, wiring, paint, or paint filters.*

*Subd. 3. [HAZARDOUS WASTES.] A person may not conduct, cause, or permit open burning of hazardous waste as defined in section 116.06, subdivision 11, and applicable rules of the pollution control agency.*

*Subd. 4. [INDUSTRIAL SOLID WASTE.] A person may not conduct, cause, or permit open burning of solid waste generated from an industrial or manufacturing process or from a service or commercial structure.*

*Subd. 5. [DEMOLITION DEBRIS.] A person may not conduct, cause, or permit open burning of burnable building material generated from demolition of commercial or institutional structures. A farm building is not a commercial structure for the purposes of this subdivision.*

*Subd. 6. [SALVAGE OPERATIONS.] A person may not conduct, cause, or permit salvage operations by open burning.*

*Subd. 7. [MOTOR VEHICLES.] A person may not conduct, cause, or permit the processing of motor vehicles by open burning.*

*Subd. 8. [GARBAGE.] A person may not conduct, cause, or permit open burning of discarded material resulting from the handling, processing, storage, preparation, serving, or consumption of food, unless specifically allowed under section 17.135.*

*Subd. 9. [BURNING BAN.] A person may not conduct, cause, or permit open burning during a burning ban put into effect by a county or other local authority or a state department or agency.*

*Subd. 10. [SMOLDERING FIRES.] A person may not allow a fire to smolder with no flame present, except when the fire is conducted for the purpose of managing forests, prairies, or wildlife habitats.*

Sec. 28. Minnesota Statutes 1992, section 88.18, is amended to read:

**88.18 [FIRE WARDENS.]**

The commissioner may appoint ~~supervisors, constables, and clerks of towns, mayors of cities, and presidents or presiding officers of city councils~~ local government officials, authorized agents of the pollution control agency, fire chiefs, or other responsible persons to be fire wardens ~~for~~ in their respective districts; ~~and they shall do all things reasonably necessary to protect the property of such municipalities from fire and to extinguish the same.~~

Sec. 29. [88.195] [PENALTIES.]

*Subdivision 1. [FAILURE TO EXTINGUISH A FIRE.] A person who starts and fails to control or extinguish a fire, whether on property owned by the person or on the property of another, before the fire endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.*

*Subd. 2. [FAILURE TO CONTROL A PERMIT FIRE.] A person who has a burning permit and fails to keep the permitted fire contained within the area described in the burning permit or who fails to keep the fire restricted to the materials listed in the burning permit is guilty of a misdemeanor.*

*Subd. 3. [CARELESS OR NEGLIGENT ACTS.] (a) A person who carelessly or negligently starts a fire that endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.*

*(b) A person who participates in an act involving careless or negligent use of a motor vehicle, other internal combustion engines, firearms with tracers or combustible wads, fireworks, smoking materials, electric fences, torches, flares, or other burning or smoldering substances whereby a fire is started and is not immediately extinguished before the fire endangers or causes damage to the property of another person or the state is guilty of a misdemeanor.*

Sec. 30. Minnesota Statutes 1992, section 88.22, is amended to read:

**88.22 [FOREST FIRE WILDFIRE PREVENTION; CLOSING FOREST ROADS AND TRAILS; PROHIBITING OPEN FIRES AND SMOKING; REGULATING PRIVATE AND PUBLIC DUMPING AREAS; PENALTIES.]**

Subdivision 1. (a) When the commissioner of natural resources shall determine that conditions conducive to ~~forest fire~~ wildfire hazards exist in the ~~forest~~ wildfire areas of the state and that the presence of persons in the ~~forest~~ wildfire areas tends to aggravate ~~forest fire~~ wildfire hazards; render forest trails impassable by driving thereon during wet seasons and hampers the effective enforcement of state timber trespass and game laws, the commissioner may by written order, close any road or trail leading into any land used for any conservation purposes, to all modes of travel except that considered essential such as residents traveling to and from their homes or in other cases to be determined by the authorized forest officers assigned to guard the area.

(b) The commissioner may also, upon such determination, by written order, suspend the issuance of permits for open fires, revoke or suspend the operation of a permit previously issued and, to the extent the commissioner deems necessary, prohibit the building of all or some kinds of open fires in all or any part of a ~~forest~~ wildfire area regardless of whether a permit is otherwise required; and the commissioner also may, by written order, prohibit smoking except at places of habitation or automobiles or other enclosed vehicles properly equipped with an efficient ash tray.

Subd. 2. The commissioner may close any public or private dumping area, by posting such area as closed to dumping, whenever the commissioner deems it necessary for the prevention of ~~forest fires~~ wildfires. Thereafter no person shall deposit refuse of any kind within or adjacent to such closed area, or along the road leading thereto.

The commissioner shall establish such minimum standards governing public and private dumping areas as the commissioner deems necessary for the prevention of ~~forest fires~~ wildfires.

Subd. 3. ~~Any violations~~ A violation of this section ~~shall constitute~~ is a misdemeanor.

### Sec. 31. [REPEALER.]

*Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11, are repealed."*

Delete the title and insert:

"A bill for an act relating to natural resources; providing for the prevention and suppression of wildfires; providing penalties; amending Minnesota Statutes 1992, sections 88.01, subdivisions 2, 6, 8, 15, 23, and by adding subdivisions; 88.02; 88.03; 88.04; 88.041; 88.05; 88.06; 88.065; 88.067; 88.08; 88.09, subdivision 2; 88.10; 88.11, subdivision 2; 88.12; 88.14; 88.15; 88.16; 88.17, subdivision 1, and by adding a subdivision; 88.18; and 88.22; proposing coding for new law in Minnesota Statutes, chapter 88; repealing Minnesota Statutes 1992, sections 88.17, subdivision 2; and 88.19; and Laws 1992, chapter 556, sections 10 and 11."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 832: A bill for an act relating to occupations and professions; regulating athletic trainers; establishing an advisory council; providing for registration; requiring fees; providing for rulemaking; imposing penalties;



appropriating money; amending Minnesota Statutes 1992, section 116J.70, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 148.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Governmental Operations and Reform. Report adopted.

Mr. Metzger from the Committee on Governmental Operations and Reform, to which was referred

S.F. No. 685: A bill for an act relating to retirement; the Minneapolis fire department relief association; setting service pension rates; repealing Laws 1971, chapter 542.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

#### “ARTICLE 1

#### MINNEAPOLIS FIRE BENEFIT INCREASE”

Page 1, line 8, delete “1972” and insert “1971” and after the third comma, insert “section 1,”

Page 1, line 9, after “9” insert “, to the contrary” and delete “of” and insert “payable by the”

Page 1, line 10, delete “retiring” and insert “terminating active service as a Minneapolis firefighter”

Page 1, line 11, delete “will” and insert “must”

Page 1, after line 11, insert:

“length of service  
credited service pension payable”

Page 2, line 11, delete “Section 1 is” and insert “Sections 1 and 2 are”

Page 2, line 13, delete “is” and insert “does”

Page 2, line 14, delete “retroactive for members retiring” and insert “apply to members of the Minneapolis fire department relief association who terminated active service as a Minneapolis firefighter”

Page 2, after line 14, insert:

#### “ARTICLE 2

#### CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 353B.07, subdivision 3, is amended to read:

Subd. 3. [FORMULA PERCENTAGE RATE.] (a) The formula percentage rate shall be 2.333 percent per year of allowable service for each of the first 20 years of allowable service, 1.333 percent per year of allowable service for

each year of allowable service in excess of 20 years but not in excess of 27 years, and .5 percent for each year of allowable service in excess of 25 years for the former members of the following consolidating relief associations:

- (1) Rochester fire department relief association;
- (2) Rochester police relief association;
- (3) St. Cloud fire department relief association;
- (4) St. Cloud police relief association;
- (5) St. Louis Park police relief association; and
- (6) Winona police relief association.

(b) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service for the former members of the following consolidating relief associations:

- (1) Albert Lea police relief association;
- (2) Anoka police relief association;
- (3) Faribault fire department relief association;
- (4) Faribault police benefit association;
- (5) Mankato police benefit association;
- (6) Red Wing police relief association; and
- (7) West St. Paul police relief association.

(c) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service and .5 percent per year of allowable service for each year of service in excess of 25 years of allowable service for the former members of the following consolidating relief associations:

- (1) Austin firefighters relief association;
- (2) Austin police relief association;
- (3) South St. Paul firefighters relief association;
- (4) South St. Paul police relief association; and
- (5) Virginia police relief association.

(d) The formula percentage rate shall be 2.1875 percent per year of allowable service for each of the first 20 years of allowable service and 1.25 percent per year of allowable service for each year of allowable service in excess of 20 years of allowable service but not in excess of 27 years of allowable service for the former members of the following consolidating relief associations:

- (1) Bloomington police relief associations; and
- (2) Columbia Heights police relief association.

(e) The formula percentage rate shall be 2.65 percent per year of allowable service for each of the first 20 years of allowable service and an additional annual benefit of \$120 per year of allowable service in excess of 20 years of

allowable service but not in excess of 25 years of allowable service for the former members of the following consolidating relief associations:

- (1) Hibbing firefighters relief association; and
- (2) Hibbing police relief association.

(f) The formula percentage rate or rates shall be the following for the former members of the consolidating relief associations as indicated:

(1) 2.5 percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Albert Lea firefighters relief association;

(2) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to top grade patrol officer's salary base, Brainerd police relief association;

(3) 4.25 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$10 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Buhl police relief association;

(4) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Chisholm firefighters relief association;

(5) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years of allowable service, Chisholm police relief association;

(6) 2.1875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and 1.75 percent per year of allowable service in excess of 25 years of allowable service, Columbia Heights fire department relief association, paid division;

(7) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and 1.5 percent per year of allowable service rendered after attaining the age of 60 years, Crookston fire department relief association;

(8) 2.5 percent per year of allowable service for each year of the first 30 years of allowable service, Crookston police relief association;

(9) 2.25 percent per year of allowable service for each year of the first 20 years of allowable service and 1.25 percent per year of allowable service in excess of 20 years of allowable service, but not more than 27 years of service, Crystal police relief association;

(10) 1.99063 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth firefighters relief association;

(11) 1.9875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth police relief association;

(12) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service, and two percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and not to include any year of allowable service rendered after attaining the age of 55 years, Fairmont police benefit association;

(13) two percent per year of allowable service for each year of the first ten years of allowable service, 2.67 percent per year of allowable service in excess of ten years of allowable service but not more than 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of service but not more than 27 years of allowable service, Fridley police pension association;

(14) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and an additional annual amount of \$30 per year of allowable service in excess of 20 years of allowable service but not more than 30 years of allowable service, Mankato fire department relief association;

(15) *for members who terminated active service as a Minneapolis firefighter before June 1, 1993, 2.0625 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service and five percent for the 25th year of allowable service, and for members who terminated active service as a Minneapolis firefighter after May 31, 1993, two percent for each year of the first 19 years of allowable service, 3.25 percent for the 20th year of allowable service, and two percent per year of allowable service in excess of 20 years of service, but not more than 25 years of allowable service, Minneapolis fire department relief association;*

(16) 2.125 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service, and five percent for the 25th year of allowable service, Minneapolis police relief association;

(17) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to highest patrol officer's salary base plus .5 percent of the final salary base per year of allowable service for each of the first three years of allowable service in excess of 20 years of allowable service, New Ulm police relief association;

(18) two percent per year of allowable service for each of the first 25 years of allowable service and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Red Wing fire department relief association;

(19) 2.55 percent per year of allowable service for each of the first 20 years of allowable service, Richfield fire department relief association;

(20) 2.4 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of allowable service but not more than 27 years of allowable service, Richfield police relief association;

(21) for a former member with less than 20 years of allowable service on June 16, 1985, 2.6 percent, and for a former member with 20 or more years of allowable service on June 16, 1985, 2.6175 percent for each of the first 20 years of allowable service and, for each former member, one percent for each year of allowable service in excess of 20 years, but no more than 30 years, St. Louis Park fire department relief association;

(22) 1.9375 percent per year of allowable service for each of the first 20 years of allowable service, 2.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and .5 percent per year of allowable service in excess of 25 years of allowable service, St. Paul fire department relief association;

(23) two percent per year of allowable service for each of the first 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years of allowable service, St. Paul police relief association;

(24) 2.25 percent per year of allowable service for each of the first 20 years of allowable service and one percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years, Virginia fire department relief association;

(25) two percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years but not more than 24 years of allowable service, three percent for the 25th year of allowable service and one percent per year of allowable service in excess of 25 years of allowable service but not more than 30 years of allowable service, West St. Paul firefighters relief association; and

(26) 2.333 percent for each of the first 20 years of allowable service, 1.333 percent for each year of allowable service in excess of 20 years but no more than 28 years, and .5 percent for each year of allowable service in excess of 25 years, Winona fire department relief association.

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective on the effective date of article 1, section 1.*"

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 1992, section 352B.07, subdivision 3;"

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. 477 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.
477	76				

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. 783 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.
783	656				

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. 520 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.
520	528				

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. 1153 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.
1153			984		

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. 1404 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.
1404			1005		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1404 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1404 and insert the language after the enacting clause of S.F. No. 1005, the first engrossment; further, delete the title of H.F. No. 1404 and insert the title of S.F. No. 1005, the first engrossment.

And when so amended H.F. No. 1404 will be identical to S.F. No. 1005, and further recommends that H.F. No. 1404 be given its second reading and substituted for S.F. No. 1005, 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. 945 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.
945			991		

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 945 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 945 and insert the language after the enacting clause of S.F. No. 991, the first engrossment; further, delete the title of H.F. No. 945 and insert the title of S.F. No. 991, the first engrossment.

And when so amended H.F. No. 945 will be identical to S.F. No. 991, and further recommends that H.F. No. 945 be given its second reading and substituted for S.F. No. 991, 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. 806 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.
806	666				

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. 670 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.
670	769				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 670 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 670 and insert the language after the enacting clause of S.F. No. 769, the first engrossment; further, delete the title of H.F. No. 670 and insert the title of S.F. No. 769, the first engrossment.



And when so amended H.F. No. 670 will be identical to S.F. No. 769, and further recommends that H.F. No. 670 be given its second reading and substituted for S.F. No. 769, 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. 667 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.
667	587				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 667 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 667 and insert the language after the enacting clause of S.F. No. 587, the first engrossment; further, delete the title of H.F. No. 667 and insert the title of S.F. No. 587, the first engrossment.

And when so amended H.F. No. 667 will be identical to S.F. No. 587, and further recommends that H.F. No. 667 be given its second reading and substituted for S.F. No. 587, 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.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 1361: A bill for an act relating to the legislative commission on children, youth, and their families; authorizing the commission to hire staff; prescribing duties of other state officers; changing certain reporting requirements; directing the governor to consult with the commission when making certain program transfers; providing grants for community-based programs; appropriating money; amending Minnesota Statutes 1992, section 3.873, subdivisions 4, 5, 6, 7, and 9; proposing coding for new law in Minnesota Statutes, chapter 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, lines 15 to 17, delete the new language and insert "*The legislative coordinating commission shall supply the commission with the necessary staff, office space, and administrative services.*"

Page 1, lines 23 and 24, reinstate the stricken language and delete the new language

Page 2, lines 2 to 6, delete the new language

Page 2, line 15, reinstate the stricken “(d)” and delete “(e)”

Page 2, line 21, reinstate the stricken “(e)” and delete “(f)”

Page 2, line 24, delete “at least four times per year”

Pages 5 to 7, delete sections 6 to 8 and insert:

“Sec. 6. [121.834] [CITATION; PURPOSE.]

*Subdivision 1. [CITATION.] Sections 6 to 9 may be cited as the ‘family services collaboratives act.’*

*Subd. 2. [PURPOSE.] The purposes of family services collaboratives are to:*

*(1) ensure inclusive and effective support for young children and their families that will result in:*

- (i) reduced numbers of low birthweight infants;*
- (ii) increased numbers of children who are adequately immunized and healthy;*
- (iii) improved child and family nutrition;*
- (iv) decreased numbers of young children requiring out-of-home placement;*
- (v) improved family functioning to promote and support healthy child development;*
- (vi) improved prospects for high academic achievement for all children entering school;*
- (vii) improved early identification of children with learning difficulties;*
- (viii) decreased numbers of children requiring long-term special education services; and*
- (ix) increased parental knowledge of child development and parenting skills;*

*(2) provide for the most effective and efficient delivery of services necessary to meet the needs of young children and their families through:*

- (i) seamless coordination of education services, social services, and health services for pregnant women and young children, birth to age six, and their families;*
- (ii) greater flexibility for local decision-makers to provide family support in their communities;*
- (iii) improved efficiency in the use of existing available resources;*
- (iv) increased incentives for earlier identification and intervention;*
- (v) utilization of culturally specific services for children and families of color;*
- (vi) increased utilization of the strengths and resources of local communities, neighborhoods, and families; and*

(vii) pooling of state, local, and private funds to provide integrated services, supplemental services, and to procure additional federal or private funds.

Sec. 7. [121.835] [FAMILY SERVICES COLLABORATIVES.]

*Subdivision 1. [ESTABLISHMENT.] In order to qualify as a family services collaborative, a minimum of one school district and one county must enter into an agreement to provide coordinated family services and to commit resources to an integrated fund. Collaboratives are strongly encouraged to include other local providers, including additional school districts and counties, other municipalities, local health organizations, private and non-profit service providers, child care providers, local foundations, businesses, local transit authorities or other transportation providers, community action agencies under section 268.53, senior citizen volunteer organizations, and churches which provide nonsectarian services.*

*Subd. 2. [DUTIES.] Each family services collaborative shall:*

*(1) design and implement an integrated local service delivery system for young children and their families which coordinates services across agencies and is client centered. The delivery system shall provide a continuum of services for children through the age of 18, but the greatest emphasis shall be placed on support for pregnant women and for children from birth to age six;*

*(2) encourage coordination through co-location of services, shared staff, and integrated data processing systems;*

*(3) identify a service delivery area;*

*(4) identify federal, state, and local institutional barriers to coordination of services and suggest ways to remove these barriers;*

*(5) establish an integrated fund from federal, state, local, and private sources to provide integrated and supplemental services;*

*(6) seek to maximize federal and private funds by designating local expenditures for services that can be matched with federal or private grant dollars and by designing services to meet the requirements for state and federal reimbursement;*

*(7) develop mechanisms to identify outcomes and develop assessments to measure the effectiveness of the services provided by the family services collaborative;*

*(8) negotiate contracts with state agencies and other funding sources to receive additional funds to help meet the goals of the local family services collaborative; and*

*(9) establish management and information systems to ensure fiscal accountability.*

*Subd. 3. [INTEGRATED LOCAL SERVICE DELIVERY SYSTEM.] A family services collaborative shall design an integrated local service delivery system that coordinates services between existing agencies and funding streams. The local service delivery system must include an extensive home-visit component. The integrated local service delivery system must provide for:*

(1) improved outreach, early identification, and intervention across systems;

(2) a system of inclusion to provide access for support to all families within a community;

(3) coordinated services that eliminate the need to match clients with multiple providers, funding streams, and provider eligibilities;

(4) improved access to services through coordinated transportation services;

(5) a home-visit component that provides a support system to new mothers that includes one visit in the hospital at birth and at least one follow-up home visit within one week of birth for all children, and continuous visits to the homes of children who are potentially at risk;

(6) coordinated assessment across systems that determines which children and families need multiagency service coordination and supplemental services;

(7) multiagency service plans and unitary case management coordination; and

(8) integrated funding.

*Subd. 4. [INTEGRATED FUND.] A family services collaborative must establish an integrated fund to help provide an integrated service system and to fund additional supplemental services. The integrated fund may consist of federal, state, local, and private resources. The family services collaborative agreement must specify a minimum financial commitment by the participants to an integrated fund. Participants may not reduce their financial commitment except as specified in the agreement.*

#### Sec. 8. [121.836] [IMPLEMENTATION.]

*Subdivision 1. [INTERAGENCY FAMILY SERVICES TEAM.] The interagency family services team shall consist of the commissioners, or their designees, of education, human services, jobs and training, public safety, corrections, finance, health, transportation, and the director of the office of strategic and long-range planning or designee. The members of the interagency family services team shall designate one member to serve as chair. No member may serve as chair for more than one year consecutively. The chair is responsible for ensuring that the duties of the interagency family services team are carried out.*

*Subd. 2. [APPLICATIONS FOR PLANNING AND START-UP GRANTS FOR FAMILY SERVICES COLLABORATIVES.] By July 1, 1993, the interagency family services team shall publish the procedures for awarding planning and start-up grants. Applications for local family services collaboratives shall be obtained through the commissioner of education, human services, or health and must be submitted to the family services interagency team. The application must provide the amount of the start-up grant requested by the family services collaborative and how the collaborative will use these funds.*

*Subd. 3. [DISTRIBUTION OF PLANNING START-UP GRANTS.] By October 1, 1993, the interagency family services team must ensure the distribution of one-half of the appropriation of planning and start-up grants*

to family services collaboratives that meet the requirements under section 7 and which have been approved by the interagency family services team. The remaining appropriation for planning and start-up grants must be distributed by December 31, 1993. If the number of applications received exceeds the number of local family services collaboratives that can be funded, the funds must be geographically distributed across the state and balanced between the seven-county metropolitan area and the rest of the state.

**Subd. 4. [FAMILY SERVICES COLLABORATIVE PROGRAM GRANTS.]** A family services collaborative that received a planning and start-up grant may be eligible to receive a family services collaborative program grant. To apply for a family services collaborative program grant, a family services collaborative must submit a plan to the interagency family services team by either December 1, 1993, or July 1, 1994. The plan must meet the requirements under subdivision 5 and specify the amount of the program grant requested and how the funds will be used. The program grant money may not be used for administrative expenses. One-half of the appropriation available for family services collaborative program grants must be awarded to family services collaboratives with approved plans received by December 31, 1993. The remaining appropriation is available for grants to family services collaboratives with plans approved after July 1, 1994. The interagency family services team shall review a proposal and notify the family services collaborative as to whether or not a plan has been approved within 60 days of receiving a plan.

**Subd. 5. [LOCAL PLANS.]** The family services collaborative plan shall describe how the family services collaborative will carry out the duties and implement the integrated local services delivery system required under section 7. The plan shall include a list of the participants in the collaborative, a copy of the agreement required under section 7, subdivision 1, the amount and source of resources each participant will commit to the integrated fund, methods for increasing local participation in the collaborative, methods for involving parents and other members of the community in the implementation and operation of the collaborative, and methods for providing effective outreach services to all families with young children in the community. The plan shall also include specific goals that the collaborative intends to achieve and methods for objectively measuring progress toward meeting the goals, which at a minimum must address the purposes established in section 6.

**Subd. 6. [PLAN APPROVAL BY THE INTERAGENCY FAMILY SERVICES TEAM.]** (a) The interagency family services team shall approve local plans for family services collaboratives. In approving local plans, the interagency family services team shall give highest priority to a plan which provides for:

- (1) effective service coordination;
- (2) maximum inclusion of jurisdictions and various local, county, and state funding sources;
- (3) maximum integration of existing community service providers and local resources;
- (4) integration of transportation services;
- (5) early intervention and family outreach;
- (6) home visitation services;

- (7) a continuum of services for children from birth to age 18;
  - (8) culturally aware service delivery approaches and utilization of culturally specific organizations;
  - (9) clearly defined outcomes and methods of assessment; and
  - (10) coordination with other local services collaboratives authorized by law.
- (b) The interagency family services team shall ensure that the family services collaboratives established are not in contradiction with any state or federal policy or program and that they are not implemented in such a manner as to have negative impact on the state budget.

Subd. 7. [REPORTS BY FAMILY SERVICES COLLABORATIVES.] Family services collaboratives receiving family services collaborative program grants must submit a report to the interagency family services team. The report shall include a description of the progress made by the family services collaborative toward implementing the local plan, the use of funds received through a family services collaborative program grant, the number and type of clients served, and the types of services provided. The report shall be submitted to the interagency family services team by December 31, 1994, by family services collaboratives whose local plan was approved no later than December 31, 1993, and by July 1, 1995, for those family services collaboratives whose local plan was approved no later than July 1, 1994. Within two years of the date on which a family services collaborative received a family services collaborative program grant, a family services collaborative shall submit a report to the family services interagency team describing the results of assessments measuring the extent to which the family services collaborative has achieved the outcomes developed under section 7, subdivision 2, clause (7).

Sec. 9. [121.837] [FEDERAL REVENUE ENHANCEMENT.]

Subdivision 1. [DUTIES OF THE COMMISSIONER OF HUMAN SERVICES.] The commissioner of human services may enter into an agreement with one or more family services collaboratives to enhance federal reimbursement under Title IV-E of the Social Security Act and federal administrative reimbursement under Title XIX of the Social Security Act. The commissioner shall have the following authority and responsibilities regarding family services collaboratives:

- (1) the commissioner shall submit amendments to state plans and seek waivers as necessary to implement the provisions of this section;
- (2) the commissioner shall pay the federal reimbursement earned under this subdivision to each collaborative based on their earnings. Notwithstanding section 256.025, subdivision 2, payments to collaboratives for expenditures under this subdivision will only be made of federal earnings from services provided by the collaborative;
- (3) the commissioner shall review expenditures of family services collaboratives using reports specified in the agreement with the collaborative to ensure that the base level of expenditures is continued and new federal reimbursement is used to expand education, social, health, or health-related services to young children and their families;

(4) the commissioner may reduce, suspend, or eliminate a family services collaborative's obligations to continue the base level of expenditures or expansion of services if the commissioner determines that one or more of the following conditions apply:

(i) imposition of levy limits that significantly reduce available funds for social, health, or health-related services to families and children;

(ii) reduction in the net tax capacity of the taxable property eligible to be taxed by the lead county or subcontractor that significantly reduces available funds for education, social, health, or health-related services to families and children;

(iii) reduction in the number of children under age 19 in the county, collaborative service delivery area, subcontractor's district, or catchment area when compared to the number in the base year using the most recent data provided by the state demographer's office; or

(iv) termination of the federal revenue earned under the family services collaborative agreement;

(5) the commissioner shall not use the federal reimbursement earned under this subdivision in determining the allocation or distribution of other funds to counties or collaboratives;

(6) the commissioner may suspend, reduce, or terminate the federal reimbursement to a provider that does not meet the reporting or other requirements of this subdivision;

(7) the commissioner shall recover from the family services collaborative any federal fiscal disallowances or sanctions for audit exceptions directly attributable to the family services collaborative's actions in the integrated fund, or the proportional share if federal fiscal disallowances or sanctions are based on a statewide random sample; and

(8) the commissioner shall establish criteria for the family services collaborative for the accounting and financial management system that will support claims for federal reimbursement.

**Subd. 2. [FAMILY SERVICES COLLABORATIVE RESPONSIBILITIES.]** The family services collaborative shall have the following authority and responsibilities regarding federal revenue enhancement:

(1) the family services collaborative shall be the party with which the commissioner contracts. A lead county shall be designated as the fiscal agency for reporting, claiming, and receiving payments;

(2) the family services collaboratives may enter into subcontracts with other counties, school districts, special education cooperatives, municipalities, and other public and nonprofit entities for purposes of identifying and claiming eligible expenditures to enhance federal reimbursement, or to expand education, social, health, or health-related services to families and children;

(3) the family services collaborative must continue the base level of expenditures for education, social, health, or health-related services to families and children from any state, county, federal, or other public or private funding source which, in the absence of the new federal reimbursement earned under this subdivision, would have been available for those services, except as provided in subdivision 1, clause (4). The base year for purposes of

*this subdivision shall be the four-quarter calendar year ending at least two calendar quarters before the first calendar quarter in which the new federal reimbursement is earned;*

*(4) the family services collaborative must use all new federal reimbursement resulting from federal revenue enhancement to expand expenditures for education, social, health, or health-related services to families and children beyond the base level, except as provided in subdivision 1, clause (4);*

*(5) the family services collaborative must ensure that expenditures submitted for federal reimbursement are not made from federal funds or funds used to match other federal funds. Notwithstanding section 256B.19, subdivision 1, for the purposes of family services collaborative expenditures under agreement with the department, the nonfederal share of costs shall be provided by the family services collaborative from sources other than federal funds or funds used to match other federal funds;*

*(6) the family services collaborative must develop and maintain an accounting and financial management system adequate to support all claims for federal reimbursement, including a clear audit trail and any provisions specified in the agreement; and*

*(7) the family services collaborative shall submit an annual report to the commissioner as specified in the agreement.*

*Subd. 3. [AGREEMENTS WITH FAMILY SERVICES COLLABORATIVES.] At a minimum, the agreement between the commissioner and the family services collaborative shall include the following provisions:*

*(1) specific documentation of the expenditures eligible for federal reimbursement;*

*(2) the process for developing and submitting claims to the commissioner;*

*(3) specific identification of the education, social, health, or health-related services to families and children which are to be expanded with the federal reimbursement;*

*(4) reporting and review procedures ensuring that the family services collaborative must continue the base level of expenditures for the education, social, health, or health-related services for families and children as specified in subdivision 2, clause (3);*

*(5) reporting and review procedures to ensure that federal revenue earned under this section is spent specifically to expand education, social, health, or health-related services for families and children as specified in subdivision 2, clause (4);*

*(6) the period of time, not to exceed three years, governing the terms of the agreement and provisions for amendments to, and renewal of the agreement; and*

*(7) an annual report prepared by the family services collaborative.*

#### **Sec. 10. [121.838] [WAIVER OF RULES.]**

*(a) A family services collaborative, or any other local collaborative entity, including those in Becker, Cass, and Ramsey counties, is encouraged to seek a waiver from any state or federal rule that impedes the implementation or effectiveness of the services provided by the collaborative. If the board or*



commissioner who adopted the state rule from which a waiver is requested approves a request for a waiver, it shall notify the family services collaborative and the interagency family services team of the approval. If the request for a waiver is denied, the board or commissioner who adopted the rule shall notify the family services collaborative, the interagency family services team, and the appropriate policy committees of the legislature of the reason for denying the waiver.

(b) A family services collaborative seeking a waiver from a federal rule shall submit a request, in writing, to the appropriate policy committees of the legislature. If the legislative committees approve the request, they shall direct the appropriate state agency to make a reasonable effort to negotiate a waiver of the federal rule. If the legislative committees deny the request for a waiver, they shall jointly notify the family services collaborative of the reason for denying the waiver.

#### Sec. 11. [124.651] [INTEGRATED EARLY CHILDHOOD SERVICES REVENUE.]

Subdivision 1. [ELIGIBILITY.] A school district is eligible for integrated early childhood services revenue if the commissioner of education has approved a plan required under subdivision 3.

Subd. 2. [INTEGRATED EARLY CHILDHOOD SERVICES REVENUE.] A school district's integrated early childhood services revenue is equal to the sum of the amounts received according to sections 123.7045; 124.2615, subdivision 2; 124.2711, subdivision 1; and 124.2716. If a school district does not submit a plan for integrated early childhood services revenue, the revenue received according to sections 123.7045; 124.2615, subdivision 2; 124.2711, subdivision 1; and 124.2716 shall be used only for the approved purposes as provided for in sections 121.831; 121.882; 121.88, subdivision 10; and 123.702.

Subd. 3. [INTEGRATED EARLY CHILDHOOD SERVICES PLAN.] To receive integrated early childhood services revenue, a school district must submit a plan to the commissioner of education. The plan must specify the services the school district will provide to young children and their families using integrated early childhood services revenue. The plan shall include a description of the proposed cooperative arrangements with other school districts, counties, municipalities, nonprofit service providers, businesses, or other community organizations to provide coordinated, comprehensive services; a description of proposed family outreach efforts; and proof of substantial community involvement in the development of the plan. The plan must ensure that equivalent services or outcomes to those required under sections 121.831, 121.882, and 123.702 will be provided.

#### Sec. 12. [REPORTS.]

By December 15, 1993, the interagency family services team shall report to the chairs of the family services and education committees of the legislature and to the legislative commission on children, youth, and families the number of plans approved under section 8, subdivision 5, the amounts of the grants distributed, a brief description of the proposals, and the status of the family services collaboratives established under section 7, subdivision 1.

#### Sec. 13. [APPROPRIATIONS.]

*Subdivision 1. \$1,500,000 is appropriated from the general fund to the commissioner of education for the purposes of section 8, subdivision 3. This appropriation is available until June 30, 1995.*

*Subd. 2. \$1,500,000 is appropriated from the general fund to the commissioner of human services for the purposes of section 8, subdivision 3. This appropriation is available until June 30, 1995.*

*Subd. 3. \$3,500,000 is appropriated from the general fund to the commissioner of education for the purposes of section 8, subdivision 4. This appropriation is available until June 30, 1995.*

*Subd. 4. \$3,500,000 is appropriated from the general fund to the commissioner of human services for the purposes of section 8, subdivision 4. This appropriation is available until June 30, 1995.*

*Subd. 5. \$130,000 is appropriated from the general fund for the purposes of section 1 to be available until June 30, 1995."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, delete "chapter 4" and insert "chapters 121; and 124"

And when so amended the bill do pass and be re-referred to the Committee on Education. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1299: A bill for an act relating to occupations and professions; dentistry; modifying a certain exception to the licensing requirements; establishing faculty, resident dentist, and specialty licenses; modifying a certain ground for disciplinary action; amending Minnesota Statutes 1992, sections 150A.01, by adding subdivisions; 150A.05, subdivision 2; 150A.06, by adding subdivisions; and 150A.08, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 19, delete "*a resident,*" and insert "*an enrolled graduate student or student of an advanced education program accredited by the American Dental Association Commission on Accreditation.*"

Page 1, delete line 20

Page 2, line 10, strike "or the Mayo Foundation"

Page 2, line 12, after "of" insert "a" and strike "dentists" and insert "*dentist or a licensed dental hygienist*"

Page 2, line 13, strike "instructors" and insert "*an instructor*"

Page 2, line 32, strike everything after "of"

Page 2, line 33, strike everything before "in" and insert "*X-rays or other diagnostic imaging modalities for making radiographs or other similar records*"

Page 2, line 34, after "dentist" insert "*or by a person who is credentialed to use diagnostic imaging modalities or X-ray machines for dental treatment,*

*roentgenograms, or dental diagnostic purposes by a credentialing agency other than the board of dentistry*" and reinstate the stricken "or"

Page 2, delete lines 35 and 36

Page 3, delete lines 1 and 2

Page 3, line 3, strike "(8)" and insert "(7)"

Page 3, line 21, after "I" insert "*or is a faculty member on the effective date of this section*"

Page 4, line 2, delete everything after "is" and insert "*an enrolled graduate student or*"

Page 4, line 3, delete "*graduate*" and delete "*in a dental school*" and insert "*of an accredited advanced dental education program*"

Page 4, line 5, delete everything after "*resident*" and insert "*dentist*"

Page 4, line 6, delete "*student*"

Page 4, line 7, delete "*as a*"

Page 4, line 8, delete everything before "*only*"

Page 4, line 31, after "(b)" insert "*Notwithstanding section 147.081, subdivision 3,*"

Page 5, line 2, delete "*a postdoctoral course*" and insert "*an advanced education program*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1185: A bill for an act relating to juveniles; authorizing the commissioner of human services to pay for the cost of chemical use assessments; amending Minnesota Statutes 1992, section 260.151, subdivision 1.

Reports the same back with the recommendation that the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1187: A bill for an act relating to health care; clarifying the uniform anatomical gift act; retroactively defining organ donation as the rendition of a service; amending Minnesota Statutes 1992, section 525.9221.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 699: A bill for an act relating to health; utilization review of health care; providing for chiropractic review; amending Minnesota Statutes 1992, section 62M.09, by adding a subdivision.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

H.F. No. 226: A bill for an act relating to health; clarifying the meaning of comprehensive health maintenance services; amending Minnesota Statutes 1992, section 62D.02, subdivision 7.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Vickerman from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 1602: A bill for an act relating to cemeteries; prohibiting relocation of cemeteries without the trustees' or owners' consent; proposing coding for new law in Minnesota Statutes, chapters 306; and 307.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 9, insert:

“Sec. 2. [306.99] [WINTER BURIALS.]

*Each municipal, town, or other cemetery governed by this chapter or other law shall, so far as possible, provide for burials at all times of year including winter. A cemetery may make an additional charge for the actual cost of a burial during difficult weather.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert “providing for burials in the winter season;”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 751: A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; authorizing local units of government to license and otherwise regulate these facilities; establishing record keeping and reporting requirements; prescribing penalties and providing remedies; proposing coding for new law in Minnesota Statutes, chapter 461.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“REGULATION OF TANNING FACILITIES

Section 1. [461.16] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 461.16 to 461.26.*

*Subd. 2. [CONSUMER.] "Consumer" means an individual who is provided access to a tanning facility.*

*Subd. 3. [INDIVIDUAL.] "Individual" means a human being.*

*Subd. 4. [OPERATOR.] "Operator" means an individual designated by the tanning facility owner or tanning equipment lessee to operate, or to assist and instruct the consumer in the operation and use of, the tanning facility or tanning equipment.*

*Subd. 5. [PERSON.] "Person" means an individual, corporation, partnership, limited liability company, firm, association, trust, estate, public or private institution, group, agency, political subdivision of this state, any other state, or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of these entities.*

*Subd. 6. [TANNING EQUIPMENT.] "Tanning equipment" means ultraviolet or other lamps and equipment containing these lamps intended to induce skin tanning through the irradiation of any part of the living human body with ultraviolet radiation.*

*Subd. 7. [TANNING FACILITY.] "Tanning facility" means a location, place, area, structure, or business or a part thereof which provides consumers access to tanning equipment. Tanning facility includes, but is not limited to, tanning salons, health clubs, apartments, or condominiums regardless of whether a fee is charged for access to the tanning equipment.*

*Subd. 8. [ULTRAVIOLET RADIATION.] "Ultraviolet radiation" means electromagnetic radiation with wavelengths in air between 200 nanometers and 400 nanometers.*

## Sec. 2. [461.17] [REGULATIONS; APPLICABILITY; EXEMPTIONS.]

*Subdivision 1. [REGULATIONS; APPLICABILITY.] A tanning facility in this state must be constructed, operated, and maintained according to sections 461.16 to 461.26.*

*Subd. 2. [EXEMPTIONS.] Sections 461.16 to 461.26 do not apply to:*

*(a) a person who:*

*(1) uses equipment which emits ultraviolet radiation incidental to its normal operation; and*

*(2) does not use the equipment described in clause (1) to deliberately expose parts of the living human body to ultraviolet radiation for the purpose of tanning or other treatment;*

*(b) a physician licensed by the board of medical practice who uses, in the practice of medicine, medical diagnostic and therapeutic equipment that emits ultraviolet radiation; and*

*(c) an individual who owns tanning equipment exclusively for personal, noncommercial use.*

## Sec. 3. [461.19] [STANDARDS FOR TANNING EQUIPMENT.]

*Subdivision 1. [STANDARDS FOR ALL EQUIPMENT.] (a) The tanning facility owner or operator must use only tanning equipment manufactured according to Code of Federal Regulations, title 21, part 1040.20. The exact nature of compliance must be based on the standards in effect at the time of manufacture as shown on the device identification label required by Code of Federal Regulations, title 21, part 1010.3.*

*(b) Each assembly of tanning equipment must be designated for use by only one consumer at a time and must be equipped with a timer that complies with Code of Federal Regulations, title 21, part 1040.20(c)(2). The maximum timer interval may not exceed the manufacturer's maximum recommended exposure time. No timer interval may have an error exceeding plus or minus ten percent of the maximum timer interval for the product.*

*(c) Tanning equipment must meet the National Fire Protection Association National Electrical Code.*

*(d) Tanning equipment must include physical barriers to protect consumers from injury induced by touching or breaking the lamps.*

*(e) The tanning facility owner or operator shall replace defective or damaged lamps, bulbs, or filters with a type intended for use in the affected tanning equipment as specified on the product label and having the same spectral distribution.*

*(f) The tanning facility owner or operator shall replace ultraviolet lamps and bulbs, which are not otherwise defective or damaged, at a frequency or after a duration of use as may be recommended by the manufacturer of the lamps and bulbs.*

*(g) The tanning facility owner or operator shall maintain a record of when the bulbs or lamps in each tanning booth or bed were replaced according to paragraphs (e) and (f).*

*(h) Tanning equipment must have a control that enables the user to manually terminate radiation without pulling the electrical plug or coming in contact with the ultraviolet lamp.*

*(i) The tanning facility operator shall instruct each user on: (1) the proper position to maintain relative to the tanning lamps; (2) the position of the safety railing, where applicable; (3) the manual switching device to terminate radiation; and (4) maximum time of exposure.*

*(j) The tanning facility operator shall inspect the facility to ensure that the floors are dry before each individual's use.*

*(k) The tanning facility operator shall monitor the use of the facility to ensure that the interior temperature does not exceed 100 degrees Fahrenheit.*

*(l) The tanning facility operator shall comply with sanitizing procedures specified by the manufacturer of the tanning equipment between users.*

*Subd. 2. [STANDARDS FOR STAND-UP TANNING BOOTHS.] In addition to the requirements in subdivision 1, tanning booths designed for stand-up use must comply with the following additional requirements:*

*(1) booths must have physical barriers or other means, such as handrails or floor markings, to indicate the proper exposure distance between ultraviolet lamps and the consumer's skin;*

(2) booths must be constructed with sufficient strength and rigidity to withstand the stress of use and the impact of a falling individual;

(3) access to booths must be of rigid construction; and

(4) booths must be equipped with handrails and nonslip floors.

**Sec. 4. [461.20] [PROTECTIVE GOGGLES REQUIRED.]**

(a) The tanning facility owner or operator shall provide protective goggles to each consumer for use with the tanning equipment. The protective goggles must meet the requirements of Code of Federal Regulations, title 21, part 1040.20(c)(4).

(b) Tanning facility owners and operators shall require that consumers wear the protective goggles required by this section. The tanning facility owner or operator shall ensure that the protective goggles required by this section are properly sanitized before each use and shall not rely upon exposure to the ultraviolet radiation produced by the tanning equipment itself to provide the sanitizing.

**Sec. 5. [461.21] [POSTED WARNING REQUIRED.]**

(a) The facility owner or operator shall conspicuously post the warning sign described in paragraph (b) within three feet of each tanning station. The sign must be clearly visible, not obstructed by any barrier, equipment, or other object, and must be posted so that it can be easily viewed by the consumer before energizing the tanning equipment.

(b) The warning sign required in paragraph (a) shall have dimensions not less than eight inches by ten inches, and must have the following wording:

**“DANGER – ULTRAVIOLET RADIATION**

-Follow instructions.

-Avoid overexposure. As with natural sunlight, overexposure can cause eye and skin injury and allergic reactions. Repeated exposure may cause premature aging of the skin and skin cancer.

-Wear protective eyewear.

**FAILURE TO USE PROTECTIVE EYEWEAR MAY RESULT  
IN SEVERE BURNS OR LONG-TERM INJURY TO THE EYES.**

-Medications or cosmetics may increase your sensitivity to the ultraviolet radiation. Consult a physician before using sunlamp or tanning equipment if you are using medications or have a history of skin problems or believe yourself to be especially sensitive to sunlight.”

**Sec. 6. [461.22] [NOTICE TO CONSUMER.]**

The tanning facility owner or operator shall provide each consumer under the age of 18, before initial exposure at the facility, with a copy of the following warning, which must be signed, witnessed, and dated as indicated in the warning:

**“WARNING STATEMENT**

This statement must be read and signed by the consumer BEFORE first exposure to ultraviolet radiation for tanning purposes at the below signed facility.

**DANGER – ULTRAVIOLET RADIATION WARNING**

*-Follow instructions.*

*-Avoid overexposure. As with natural sunlight, overexposure can cause eye and skin injury and allergic reactions. Repeated exposure may cause premature aging of the skin and skin cancer.*

*-Wear protective eyewear.*

**FAILURE TO USE PROTECTIVE EYEWEAR MAY RESULT IN SEVERE BURNS OR LONG-TERM INJURY TO THE EYES.**

*-Medications or cosmetics may increase your sensitivity to the ultraviolet radiation. Consult a physician before using sunlamp or tanning equipment if you are using medications or have a history of skin problems or believe yourself to be especially sensitive to sunlight.*

*I have read the above warning and understand what it means before undertaking any tanning equipment exposure.*

.....  
*Signature of Operator  
of Tanning Facility or  
Equipment*

.....  
*Signature of Consumer*

.....  
*Print Name of Consumer*

.....  
*Date*

**OR**

*The consumer is illiterate and/or visually impaired and I have read the warning statement aloud and in full to the consumer in the presence of the below signed witness.*

.....  
*Signature of Operator  
of Tanning Facility or  
Equipment*

.....  
*Witness*

.....  
*Date*

**Sec. 7. [461.23] [RECORDS REQUIRED.]**

*The tanning facility owner or operator shall maintain a record of each consumer's total number of tanning visits at the facility, and the dates and durations of tanning exposures for a period of three years after exposure.*

**Sec. 8. [461.24] [CONSENT REQUIRED.]**

*Before allowing the initial exposure at a tanning facility of a person under the age of 18, the owner or operator shall witness the person's parent's or legal guardian's signing and dating of the warning statement required under section 461.22.*



Sec. 9. [461.25] [PENALTY.]

*Any person who leases tanning equipment or who owns a tanning facility and who operates or permits the equipment or facility to be operated in noncompliance with the requirements of sections 461.16 to 461.24 is guilty of a petty misdemeanor.*

Sec. 10. [461.26] [LOCAL ORDINANCE AUTHORIZATION.]

*Sections 461.16 to 461.25 do not preempt a local ordinance which provides for more restrictive regulation of tanning facilities than required in sections 461.16 to 461.25."*

Delete the title and insert:

"A bill for an act relating to local government; regulating tanning facilities; requiring warning notices; establishing record keeping requirements; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 461."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 1446: A bill for an act relating to insurance; regulating investments, assets and liabilities, and annual statements of companies; providing for continuance of coverage upon liquidation; modifying the definition of resident for purposes of the Minnesota insurance guaranty association; regulating dividends and other distributions of insurance holding company systems; regulating risk retention groups; enacting the NAIC model legislation; amending Minnesota Statutes 1992, sections 60A.11, subdivision 9; 60A.12, subdivision 3; 60A.13, subdivisions 1 and 6; 60A.23, subdivision 4; 60B.22, subdivision 1; 60C.03, subdivision 7; 60D.20, subdivisions 2 and 4; 60E.01; 60E.02, subdivisions 9 and 12; 60E.03; 60E.04, subdivisions 1, 2, 3, 4, 7, 8, 11, and by adding a subdivision; 60E.05; 60E.07; 60E.08; 60E.09; 60E.10; 60E.12; and 60E.13; proposing coding for new law in Minnesota Statutes, chapters 60A and 60E; repealing Minnesota Statutes 1992, sections 60A.07, subdivision 5d; 60A.12, subdivision 10; 60B.24; and 60E.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 1992, section 60A.11, subdivision 9, is amended to read:

Subd. 9. [GENERAL CONSIDERATIONS.] The following considerations apply in the interpretation of this section:

(a) This section applies to the investments of insurance companies other than life insurance companies;

(b) The purpose of this section is to protect and further the interests of policyholders, claimants, creditors and the public by providing standards for the development and administration of programs for the investment of the assets of domestic companies. These standards and the investment programs

developed by companies must take into account the safety of company's principal, investment yield and growth, stability in the value of the investment, the liquidity necessary to meet the company's expected business needs, and investment diversification;

(c) All financial terms relating to insurance companies have the meanings assigned to them under statutory accounting methods. All financial terms relating to noninsurance companies have the meanings assigned to them under generally accepted accounting principles;

(d) Investments must be valued in accordance with the valuation procedures established by the National Association of Insurance Commissioners, unless the commissioner requires or finds another method of valuation reasonable under the circumstances. *Another method of valuation permitted by the commissioner must be at least as conservative as those prescribed in the association's manual.* Other invested assets must be valued according to the procedures promulgated by the National Association of Insurance Commissioners', if not addressed in another section, unless the commissioner requires or finds another method of valuation reasonable under the circumstances;

(e) A company may elect to hold an investment which qualifies under more than one subdivision, under the subdivision of its choice. Nothing herein prevents a company from electing to hold an investment under a subdivision different from the one in which it previously held the investment; and

(f) An investment which qualifies under any provision of the law governing investments of insurance companies when acquired will continue to be a qualified investment for as long as it is held by the insurance company.

Sec. 2. Minnesota Statutes 1992, section 60A.12, subdivision 3, is amended to read:

Subd. 3. [VALUATION OF EVIDENCES OF INDEBTEDNESS.] All bonds or other evidences of debt, having a fixed term and rate, held by an insurance company or fraternal benefit society authorized to do business in this state may, if amply secured and not in default as to principal and interest, be valued as follows: If purchased at par, at the par value; if purchased above or below par, on the basis of the purchase price adjusted so as to bring the value to par at maturity and so as to yield, in the meantime, the effective rate of interest at which the purchase was made; provided, that the purchase price shall in no case be taken at a higher figure than the actual market value at the time of purchase; ~~and, provided, that the commissioner shall have full discretion in determining the method of calculating values according to the foregoing rule.~~ If the notes or bonds secured by mortgage or trust deed in the nature thereof which the federal housing administrator has insured, or made a commitment to insure, are purchased above par, they may, if not in default as to principal and interest, be valued during the first five years after purchase on the basis of the purchase price adjusted in equal annual installments to bring the value to par at the end of five years.

Sec. 3. [60A.129] [LOSS RESERVE CERTIFICATION AND ANNUAL AUDIT.]

*Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.*

(a) "Qualified actuary," except as it relates to subdivision 2, paragraph (c), for companies authorized to provide life insurance coverage under section 60A.06, subdivision 1, clause (4), is a person who is either:

- (1) a member in good standing of the Casualty Actuarial Society; or
- (2) a member in good standing of the American Academy of Actuaries who has been approved as qualified for signing casualty loss reserve opinions by the Casualty Practice Council of the American Academy of Actuaries; or
- (3) a person who otherwise has competency in loss reserve evaluation as demonstrated to the satisfaction of the insurance regulatory official of the domiciliary state. In such case, at least 90 days prior to the filing of its annual statement, the insurer must request approval that the person be deemed qualified and that request must be approved or denied. The request must include the NAIC Biographical form and a list of all loss reserve opinions issued in the last three years by this person.

(b) For purposes of subdivision 2, paragraph (c), a qualified actuary for companies authorized to write life insurance coverage under section 60A.06, subdivision 1, clause (4), shall be:

- (1) a member in good standing of the American Academy of Actuaries;
- (2) qualified to sign statements of actuarial opinion for life and health insurance company annual statements in accordance with the American Academy of Actuaries' qualification standards for actuaries signing these statements;
- (3) familiar with the valuation requirements applicable to life and health insurance companies.

(c) A qualified actuary as defined by this subdivision is an individual who:

(1) has not been found by the commissioner, or if so found has subsequently been reinstated as a qualified actuary, following appropriate notice and hearing to have:

(i) violated any provision of, or any obligation imposed by, the state insurance law or other law in the course of the actuary's dealings as a qualified actuary;

(ii) been found guilty of fraudulent or dishonest practices;

(iii) demonstrated incompetency, lack of cooperation, or untrustworthiness to act as a qualified actuary; or

(iv) submitted to the commissioner during the past five years, pursuant to this chapter, an actuarial opinion that the commissioner rejected because it did not meet the provisions of this chapter including standards set by the actuarial standards board;

(2) has resigned or been removed as an actuary within the past five years as a result of acts or omissions indicated in any adverse report on examination or as a result of failure to adhere to generally acceptable actuarial standards of the American Academy of Actuaries; and

(3) has not failed to notify the commissioner of any action taken by any commissioner of any other state similar to that under clause (1).

(d) "Accountant" and "independent public accountant" mean an independent certified public accountant or accounting firm in good standing with the American Institute of Certified Public Accountants and in all states in which the accountant or firm is licensed to practice. For Canadian and British

companies, the term means a Canadian-chartered or British-chartered accountant.

Subd. 2. [LOSS RESERVE CERTIFICATION.] (a) Each domestic company engaged in providing the types of coverage described in section 60A.06, subdivision 1, clause (1), (2), (3), (5)(b), (6), (8), (9), (10), (11), (12), (13), or (14), must have its loss reserves certified by a qualified actuary. The company must file the certification with the commissioner within 30 days of completion of the certification, but not later than June 1. The actuary providing the certification must not be an employee of the company. This subdivision does not apply to township mutual companies, or to other domestic insurers having less than \$1,000,000 of premiums written in any year and fewer than 1,000 policyholders. The commissioner may allow an exception to the stand alone certification where it can be demonstrated that a company in a group has a pooling or 100 percent reinsurance agreement used in a group which substantially affects the solvency and integrity of the reserves of the company, or where it is only the parent company of a group which is licensed to do business in Minnesota. If these circumstances exist, the company may file a written request with the commissioner for an exception. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following statement: "The loss reserves and loss expense reserves have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices and are fairly stated."

(b) Each foreign company engaged in providing the types of coverage described in section 60A.06, subdivision 1, clause (1), (2), (3), (5)(b), (6), (8), (9), (10), (11), (12), (13), or (14), required by this section to file an annual audited financial report, whose total net earned premium for Schedule P, Part 1A to Part 1H plus Part 1R, (Schedule P, Part 1A to Part 1H plus Part 1R, Column 4, current year premiums earned, from the company's most currently filed annual statement) is equal to one-third or more of the company's total net earned premium (Underwriting and Investment Exhibit, Part 2, Column 4, total line, of the annual statement) must have a reserve certification by a qualified actuary at least every three years. In the year that the certification is due, the company must file the certification with the commissioner within 30 days of completion of the certification, but not later than June 1. The actuary providing the certification must not be an employee of the company. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following statement: "The loss reserves and loss expense reserves have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices and are fairly stated."

(c) Each company providing life and/or health insurance coverages described in section 60A.06, subdivision 1, clause (4) or (5)(a), required by this section to file an audited annual financial report, whose premiums and annuity considerations (net of reinsurance) from Accident and Health equal one-third or more of the company's total premiums and annuity considerations (net of reinsurance), as reported in the summary of operations, must have its aggregate reserve for accident and health policies and liability for policy and contract claims for Accident and Health certified by a qualified actuary at least once every three years. The actuary providing the certification must not be an employee of the company. Companies writing reinsurance alone are not exempt from this requirement. The certification must contain the following

*statement: "The policy and contract claims reserves for Accident and Health have been examined and found to be calculated in accordance with generally accepted actuarial principles and practices and are fairly stated."*

*Subd. 3. [ANNUAL AUDIT.] (a) Every insurance company doing business in this state, including fraternal benefit societies, reciprocal exchanges, service plan corporations licensed pursuant to chapter 62C, and legal service plans licensed pursuant to chapter 62G, unless exempted by the commissioner pursuant to subdivision 4, paragraph (a), or by subdivision 7, shall have an annual audit of the financial activities of the most recently completed fiscal year performed by an independent certified public accountant as prescribed by the commissioner, and shall file the report of this audit with the commissioner on or before June 30 for the year ending December 31.*

*Extensions of the June 30 filing date may be granted by the commissioner for 30-day periods upon a showing by the insurer and its independent certified public accountant of the reasons for requesting the extension and a determination by the commissioner of good cause for the extension.*

*The request for extension must be submitted in writing not less than ten days before the due date in sufficient detail to permit the commissioner to make an informed decision with respect to the requested extension.*

*(b) Insurers filing audited financial reports in another state under the other state's requirements of audited financial reports which have been found by the commissioner to be substantially similar to these requirements are exempt from this subdivision if a copy of the audited financial report, the evaluation of accounting procedures, and systems of internal control report, which are filed with the other state, are filed with the commissioner in accordance with the filing dates specified in paragraphs (a) and (i), (Canadian insurers may submit accountants' reports as filed with the Canadian Dominion Department of Insurance); and a copy of any notification of adverse financial condition report filed with the other state is filed with the commissioner within the time specified in paragraph (h).*

*(c)(i) The annual audited financial report shall report, in conformity with statutory accounting practices required or permitted by the commissioner of insurance of the state of domicile, the financial condition of the insurer as of the end of the most recent calendar year and the results of its operations, changes in financial position, and changes in capital and surplus for the year ended. The annual audited financial report shall include a report of an independent certified public accountant; a balance sheet reporting admitted assets, liabilities, capital, and surplus; a statement of gain or loss from operations; a statement of cash flows; a statement of changes in capital and surplus; any notes to financial statements; and any additional information that the commissioner may from time to time require to be disclosed.*

*(ii) The notes required under item (i), shall be those required by generally accepted accounting principles and shall include reconciliation of differences, if any, between the audited statutory financial statements and the annual statement filed under section 60A.13, subdivision 1, with a written description of the nature of these differences; and a narrative explanation of all significant intercompany transactions and balances.*

*(iii) The financial statements included in the audited financial report shall be prepared in a form and using language and groupings substantially the same as the relevant sections of the annual statement of the insurer filed with*

the commissioner. The financial statement shall be comparative, presenting the amounts as of December 31 of the current year and the amounts as of the immediately preceding December 31. In the first year in which an insurer is required to file an audited financial report, the comparative data may be omitted. The amounts may be rounded to the nearest \$1,000, and all insignificant amounts may be combined.

(d) Each insurer required by this section to file an annual audited financial report must notify the commissioner in writing of the name and address of the certified public accountant or accounting firm retained to conduct the annual audit within 60 days after becoming subject to the annual audit requirement. The insurer shall obtain from the accountant a letter which states that the accountant is aware of the provisions that relate to accounting and financial matters in the insurance laws and the rules of the insurance regulatory authority of the state of domicile. The letter shall affirm that the opinions on the financial statements will be expressed in terms of their conformity to the statutory accounting practices prescribed or other permitted by that insurance regulatory authority, unless exceptions to these practices are appropriate. The letter shall specify all exceptions believed to be appropriate. A copy of this letter shall be filed with the commissioner.

(e) If an accountant who was not the accountant for the immediately preceding filed audited financial report is engaged to audit the insurer's financial statements, the insurer shall notify the commissioner of this event within 30 days of the date the accountant is engaged. The insurer shall also furnish the commissioner with a separate letter stating whether in the 24 months preceding this engagement there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the satisfaction of the former accountant, would have caused that person to make reference to the subject matter of the disagreement in connection with the opinion. The insurer shall also in writing request the former accountant to furnish a letter addressed to the insurer stating whether the accountant agrees with the statements contained in the insurer's letter and, if not, stating the reasons for any disagreement. The insurer shall furnish this responsive letter from the former accountant to the commissioner together with its own.

(f) The commissioner shall not recognize any person or firm as an independent certified public accountant that is not in good standing with the American Institute of Certified Public Accountants and in all states in which the accountant is licensed to practice, or for a Canadian or British company, that is not a chartered accountant. Except as otherwise provided, a certified public accountant shall be recognized as independent as long as the person conforms to the standards of the person's profession. The commissioner, after notice and hearing under chapter 14, may find that the accountant is not independent for purposes of expressing an opinion on the financial statements in the annual audited financial report. The commissioner may require the insurer to replace the accountant with another whose relationship with the insurer is independent.

(g) Financial statements furnished under paragraph (a), shall be examined by an independent certified public accountant. The examination of the insurer's financial statements shall be conducted in accordance with generally accepted auditing standards and consideration should be given to other procedures illustrated in the Financial Condition Examiners Handbook,

issued by the National Association of Insurance Commissioners as the independent certified public accountant considers necessary.

(h) The insurer required to furnish the annual audited financial report shall require the independent certified public accountant to immediately notify in writing an executive officer and all directors of the insurer of the final determination by that independent certified public accountant that the insurer has materially misstated its financial condition as reported to the commissioner as of the balance sheet date currently under examination or that the insurer does not meet the minimum capital and surplus requirement of section 60A.07 as of that date. An executive officer or director of an insurer required to file an annual audited financial report who received a notification of adverse financial condition from the accountant shall make a written report to the commissioner of the existence of the materially misstated financial condition or the failure to meet the minimum capital and surplus requirements of the commissioner within three business days of the notification. If the accountant becomes aware of facts which might have affected this report after the date of the audited financial report filed under this section, the accountant shall take the action prescribed by Professional Standards issued by the American Institute of Certified Public Accountants.

(i) In addition to the annual audited financial report, each insurer shall furnish the commissioner with a report of the evaluation performed by the accountant, in connection with the examination, of the accounting procedures of the insurer and its system of internal control. A report of the evaluation by the accountant of the accounting procedures of the insurer and its system of internal control, including any remedial action taken or proposed, shall be filed annually by the insurer with the division within 60 days after the filing of the annual audited financial report. This report on internal control shall be in the form prescribed by generally accepted auditing standards.

(j) Workpapers are the records kept by the independent certified public accountant of the procedures followed, tests performed, information obtained, and conclusions reached pertinent to the examination of the financial statements of an insurer. Workpapers may include work programs, analyses, memoranda, letters of confirmation and representation, management letters, abstracts of company documents, and schedules or commentaries prepared or obtained by the independent certified public accountant in the course of the examination of the financial statements of an insurer and that support the accountant's opinion. Every insurer required to file an audited financial report shall require the accountant, through the insurer, to make available for review by the examiners the workpapers prepared in the conduct of the examination. The insurer shall require that the accountant retain the audit workpapers for a period of not less than five years after the period reported upon. In the conduct of the periodic review by the examiners, it shall be agreed that photocopies of pertinent audit workpapers may be made and retained by the department of commerce. These copies shall be part of the commissioner's workpapers.

(k) With the commissioner's approval, an insurer may comply with this section by filing the requisite reports that have been prepared in accordance with generally accepted accounting principles if the notes to the financial statements include a reconciliation of differences between net income and capital and surplus on the annual statement filed pursuant to section 60A.13, subdivision 1, and comparable totals on the audited financial statements, and a written description of the nature of these differences.

(l)(i) In the case of Canadian and British insurers, the annual audited financial report means the annual statement of total business on the form filed by these companies with their domiciliary supervision authority and duly audited by an independent chartered accountant.

(ii) For these insurers, the letter required in paragraph (d), shall state that the accountant is aware of the requirements relating to the annual audited statement filed with the commissioner under paragraph (a), and shall affirm that the opinion expressed is in conformity with those requirements.

(m) The audit report of the independent certified public accountant that performs the audit of an insurer's annual statement as required under paragraph (a), shall contain a statement as to whether anything, in connection with the audit, came to the accountant's attention that caused the accountant to believe that the insurer failed to adopt and consistently apply the valuation procedures as required by sections 60A.122 and 60A.123.

Subd. 4. [EXAMINATIONS.] (a) The commissioner or a designated representative shall determine the nature, scope, and frequency of examinations under this section conducted by examiners under section 60A.031. These examinations may cover all aspects of the insurer's assets, condition, affairs, and operations and may include and be supplemented by audit procedures performed by independent certified public accountants. Scheduling of examinations will take into account all relevant matters with respect to the insurer's condition, including results of the National Association of Insurance Commissioner, Insurance Regulatory Information Systems, changes in management, results of market conduct examinations, and audited financial reports. The type of examinations performed by examiners under this section shall be compliance examinations, targeted examinations, and comprehensive examinations.

(b) Compliance examinations will consist of a review of the accountant's workpapers defined under this section and a general review of the insurer's corporate affairs and insurance operations to determine compliance with the Minnesota insurance laws and the rules of the department of commerce. The examiners may perform alternative or additional examination procedures to supplement those performed by the accountant when the examiners determine that the procedures are necessary to verify the financial condition of the insurer.

(c) Targeted examinations may cover limited areas of the insurer's operations as the commissioner may deem appropriate.

(d) Comprehensive examinations will be performed when the report of the accountant as provided for in subdivision 3, paragraph (g), the notification required by subdivision 3, paragraph (h), the results of compliance or targeted examinations, or other circumstances indicate in the judgment of the commissioner or a designated representative that a complete examination of the condition and affairs of the insurer is necessary.

(e) Upon completion of each targeted, compliance, or comprehensive examination, the examiner appointed by the commissioner shall make a full and true report on the results of the examination. Each report shall include a general description of the audit procedures performed by the examiners and the procedures of the accountant that the examiners may have utilized to supplement their examination procedures and the procedures that were



performed by the registered independent certified public accountant if included as a supplement to the examination.

*Subd. 5. [CONSOLIDATED FILING.] (a) The commissioner may allow an exception to the stand alone loss reserve certification required by subdivision 2, and audited financial statements required by subdivision 3, paragraph (a), where it can be demonstrated that a company in a group has a pooling or 100 percent reinsurance agreement used in a group which substantially affects the solvency and integrity of the reserves of the company or where it is only the parent company of a group which is licensed to do business in Minnesota. If these circumstances exist, then the company may file a written application to file loss reserve certification and a report of an annual audit. This application shall be for a specified period.*

*(b) A consolidated annual audit filing shall include an organizational chart of the companies together with a columnar consolidated or combining worksheet. Amounts shown on the audited consolidated or combined financial statement shall be shown on the worksheet. Amounts for each insurer shall be stated separately. Noninsurance operations may be shown on the worksheet on a combined or individual basis. Explanations of consolidating or eliminating entries shall be shown on the worksheet. A reconciliation of any differences between the amounts shown in the individual insurer columns of the worksheet and comparable amounts shown on the annual statement of the insurers shall be included on the worksheet.*

*Subd. 6. [PENALTIES.] No annual statement, report, or document related to the business of insurance shall be filed with the commissioner or issued to the public if it is signed by anyone who is represented in the instrument as an "actuary" or "accountant," unless the person is qualified as defined by this section. A violation of this subdivision is a violation of section 72A.19 and punishable in accordance with section 72A.25.*

*Subd. 7. [EXEMPTIONS.] (a) Upon written application of any company, the commissioner may grant an exemption from compliance with the provisions of this section. In order to receive an exemption, a company must demonstrate to the satisfaction of the commissioner that compliance would constitute a financial hardship upon the company. An exemption may be granted at any time and from time to time for specified periods. Within ten days from the denial of an insurer's written request for an exemption, the insurer may request in writing a hearing on its application for an exemption. This hearing shall be held in accordance with chapter 14. Upon written application of any insurer, the commissioner may permit an insurer to file annual audited financial reports on some basis other than a calendar year basis for a specified period. No exemption shall be granted until the insurer presents an alternative method satisfying the purposes of this section. Within ten days from a denial of a written request for an exemption, the insurer may request in writing a hearing on its application. The hearing shall be held in accordance with chapter 14.*

*(b) This section applies to all insurers, unless otherwise indicated, required to file an annual audit by subdivision 3, paragraph (a), except insurers having less than \$1,000,000 of direct written premiums in any year and fewer than 1,000 policyholders in this state at the end of any year, are exempt from this section for that year.*

Sec. 4. Minnesota Statutes 1992, section 60A.13, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL STATEMENTS REQUIRED.] Every insurance company, including fraternal benefit societies, and reciprocal exchanges, doing business in this state, shall transmit to the commissioner, annually, on or before March 1, the appropriate verified National Association of Insurance Commissioners' annual statement blank, prepared in accordance with the association's instructions handbook and following those accounting procedures and practices prescribed by the association's accounting practices and procedures manual, unless the commissioner requires or finds another method of valuation reasonable under the circumstances. *Another method of valuation permitted by the commissioner must be at least as conservative as those prescribed in the association's manual.* In addition, the commissioner may require the filing of any other information determined to be reasonably necessary for the continual enforcement of these laws. The statement may be limited to the insurer's business and condition in the United States unless the commissioner finds that the business conducted outside the United States may detrimentally affect the interests of policyholders in this state. The statements shall also contain a verified schedule showing all details required by law for assessment and taxation. The statement or schedules shall be in the form and shall contain all matters the commissioner may prescribe, and it may be varied as to different types of insurers so as to elicit a true exhibit of the condition of each insurer.

Sec. 5. Minnesota Statutes 1992, section 60A.13, subdivision 6, is amended to read:

Subd. 6. [COMPANY OR AGENT CANNOT CONTINUE BUSINESS UNLESS STATEMENT IS FILED.] No company shall transact any new business in this state after May thirty-first in any year unless it shall have previously transmitted its annual statement to the commissioner and filed a copy of its statement with the National Association of Insurance Commissioners. The commissioner may by order annually require that each insurer pay the required fee to the National Association of Insurance Commissioners for the filing of annual statements, but the fee shall not be more than 50 percent greater than the fee set by the National Association of Insurance Commissioners on January 1, 1984. *Failure to file the annual statement with the commissioner or the National Association of Insurance Commissioners is a violation of section 72A.061, subdivision 1.* The fee shall be based on the relative premium volume of each insurer. The commissioner's order shall not be subject to chapter 14.

Sec. 6. Minnesota Statutes 1992, section 60A.23, subdivision 4, is amended to read:

Subd. 4. [DIVIDENDS; LIMITATIONS.] No domestic stock company shall declare a dividend either in cash or stock, except from its actual net surplus computed as required by law in its annual statement; nor shall any such company which has ceased to do new business divide any portion of its assets, except surplus, until it shall have performed or canceled its policy obligations. It may declare and pay, annually, semiannually or quarterly from its surplus, each dividends of not more than ten percent of its capital stock and surplus in any year and, if the dividends in any one year are less than ten percent, the difference may be made up in any subsequent year or years from surplus accumulations. It may pay such dividend as the directors deem prudent out of any surplus remaining after charging, in addition to all liabilities except unearned premiums, an amount equal to the whole amount of premiums on unexpired risks and deducting from the assets all securities

and accounts receivable on which no part of the principal or interest has been paid within the preceding year, or for which foreclosure or suit has been commenced, or upon which judgment obtained has remained more than two years unsatisfied and on which interest has not been paid, and also deducting all liens due and unpaid on any of its property. Stock companies shall follow the dividend limitation and reporting requirements set forth in chapter 60D.

Sec. 7. Minnesota Statutes 1992, section 60B.22, subdivision 1, is amended to read:

Subdivision 1. [LENGTH OF CONTINUED COVERAGE.] All insurance policies or similar contracts of coverage issued by the insurer shall continue in force:

- (a) For a period of 45 30 days from the date of entry of the liquidation order;
- (b) Until the normal expiration of the policy or contract coverage;
- (c) Until the insured has replaced the coverage with equivalent coverage in another insurer; or
- (d) Until the liquidator has effected a transfer of the policy or contract obligation pursuant to section 60B.25, clause (8), whichever time is less.

Sec. 8. Minnesota Statutes 1992, section 60C.03, subdivision 7, is amended to read:

Subd. 7. [RESIDENT.] "Resident" means:

- (a) An individual person who fixes habitation in this state without any intention of removing therefrom and who, whenever absent therefrom, intends to return; or
- (b) Any other person whose principal place of business is located in this state at the time of the insured event; or
- (c) A person whose principal place of business is in Wisconsin, Iowa, North Dakota, or South Dakota, but who maintains substantial business in Minnesota.

Sec. 9. Minnesota Statutes 1992, section 60D.20, subdivision 2, is amended to read:

Subd. 2. [DIVIDENDS AND OTHER DISTRIBUTIONS.] (a) *Subject to the limitations and requirements of this subdivision, the board of directors of any domestic insurer within an insurance holding company system may authorize and cause the insurer to declare and pay any dividend or distribution to its shareholders as the directors deem prudent from the earned surplus of the insurer. An insurer's earned surplus, also known as unassigned funds, shall be determined in accordance with the accounting procedures and practices governing preparation of its annual statement, minus 25 percent of unrealized capital gains. Dividends which are paid from sources other than an insurer's earned surplus or are extraordinary dividends or distributions may be paid only as provided in paragraphs (d), (e), and (f).*

(b) *The insurer shall notify the commissioner within five business days following declaration of a dividend declared pursuant to paragraph (a) and at least ten days prior to its payment. The commissioner shall promptly consider the notification filed pursuant to this paragraph, taking into consideration the factors described in subdivision 4.*

(c) *The commissioner shall review at least annually the dividends paid by an insurer pursuant to paragraph (a) for the purpose of determining if the dividends are reasonable based upon (1) the adequacy of the level of surplus as regards policyholders remaining after the dividend payments, and (2) the quality of the insurer's earnings and extent to which the reported earnings include extraordinary items, such as surplus relief reinsurance transactions and reserve destrengthening.*

(d) No domestic insurer shall pay any extraordinary dividend or make any other extraordinary distribution to its shareholders until: (1) 30 days after the commissioner has received notice of the declaration of it and has not within the period disapproved the payment; or (2) the commissioner has approved the payment within the 30-day period.

(b) (e) For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceding 12 months exceeds the greater of (1) ten percent of the insurer's surplus as regards policyholders as of the 31st day of December next preceding; or (2) the net gain from operations of the insurer, if the insurer is a life insurer, or the net income, if the insurer is not a life insurer, not including realized capital gains, for the 12-month period ending the 31st day of December next preceding, but does not include pro rata distributions of any class of the insurer's own securities. ~~In determining whether a dividend or distribution is extraordinary, an insurer other than a life insurer may carry forward net income from the previous two calendar years that has not already been paid out as dividends. This carry-forward is computed by taking the net income from the second and third preceding calendar years, not including realized capital gains, less dividends paid in the second and immediate preceding calendar years.~~

(e) (f) Notwithstanding any other provision of law, an insurer may declare an extraordinary dividend or distribution that is conditional upon the commissioner's approval, and the declaration shall confer no rights upon shareholders until: (1) the commissioner has approved the payment of such a dividend or distribution; or (2) the commissioner has not disapproved the payment within the 30-day period referred to above.

Sec. 10. Minnesota Statutes 1992, section 60D.20, subdivision 4, is amended to read:

Subd. 4. [ADEQUACY OF SURPLUS.] For purposes of this chapter, in determining whether an insurer's surplus as regards policyholders is reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs, the following factors, among others, must be considered:

- (1) the size of the insurer as measured by its assets, capital and surplus, reserves, premium writings, insurance in force and other appropriate criteria;
- (2) the extent to which the insurer's business is diversified among the several lines of insurance;
- (3) the number and size of risks insured in each line of business;
- (4) the extent of the geographical dispersion of the insurer's insured risks;
- (5) the nature and extent of the insurer's reinsurance program;

(6) the quality, diversification and liquidity of the insurer's investment portfolio;

(7) the recent past and projected future trend in the size of the insurer's investment portfolio;

(8) the surplus as regards policyholders maintained by other comparable insurers;

(9) the adequacy of the insurer's reserves; and

(10) the quality and liquidity of investments in affiliates. The commissioner may treat any such investment as a disallowed asset for purposes of determining the adequacy of surplus as regards policyholders whenever in the commissioner's judgment the investment so warrants; and

(11) the quality of the insurer's earnings and the extent to which the reported earnings include extraordinary items, such as surplus relief reinsurance transactions and reserve destrengthening.

Sec. 11. Minnesota Statutes 1992, section 60E.01, is amended to read:

60E.01 [PURPOSE.]

The purpose of sections 60E.01 to 60E.14 is to regulate the formation and operation of risk retention groups and purchasing groups in this state formed under the federal Liability Risk Retention Act of 1986, to the extent permitted by that law.

Sec. 12. Minnesota Statutes 1992, section 60E.02, subdivision 9, is amended to read:

Subd. 9. [PLAN OF OPERATION OR FEASIBILITY STUDY.] "Plan of operation" or "feasibility study" means an analysis that presents the expected activities and results of a risk retention group including, at a minimum:

(1) information sufficient to verify that its members are engaged in business or activities similar or related with respect to the liability to which the members are exposed by virtue of any related, similar or common business, trade, product, services, premises, or operations;

(2) for each state in which it intends to operate, the coverages, deductibles, coverage limits, rates, and rating classification systems for each line of insurance the group intends to offer;

(3) historical and expected loss experience of the proposed members and national experience of similar exposures to the extent that this experience is reasonably available;

(4) pro forma financial statements and projections;

(5) appropriate opinions by a qualified, independent casualty actuary, including a determination of minimum premium or participation levels required to commence operations and to prevent a hazardous financial condition;

(6) identification of management, underwriting and claims procedures, marketing methods, managerial oversight methods, investment policies, and reinsurance agreements; and

~~(6)~~ (7) *identification of each state in which the risk retention group has obtained, or sought to obtain, a charter and license, and a description of its status in each state; and*

(8) other matters prescribed by the commissioner for liability insurance companies authorized by the insurance laws of the state.

Sec. 13. Minnesota Statutes 1992, section 60E.02, subdivision 12, is amended to read:

Subd. 12. [RISK RETENTION GROUP.] "Risk retention group" means a corporation or other limited liability association ~~formed under the laws of a state, Bermuda, or the Cayman Islands:~~

(1) whose primary activity consists of assuming and spreading all, or a portion, of the liability exposure of its group members;

(2) which is organized for the primary purpose of conducting the activity described under clause (1);

(3) which:

(a) is chartered and licensed as a liability insurance company and authorized to engage in the business of insurance under the laws of a state; or

(b) before January 1, 1985, was chartered or licensed and authorized to engage in the business of insurance under the laws of Bermuda or the Cayman Islands and, before that date, had certified to the insurance commissioner of at least one state that it satisfied the capitalization requirements of the state, except that the group shall be considered to be a risk retention group only if it has been engaged in business continuously since that date and only for the purpose of continuing to provide insurance to cover product liability or completed operations liability, as such terms were defined in the Product Liability Risk Retention Act of 1981 before the date of the enactment of the Risk Retention Act of 1986;

(4) which does not exclude a person from membership in the group solely to provide for members of the group a competitive advantage over that person;

(5) which:

(a) has as its members only persons who have an ownership interest in the group and which has as its owners only persons who are members who are provided insurance by the risk retention group; or

(b) has as its ~~sole member and sole owner~~ an organization which is ~~owned by persons who are provided insurance by the risk retention group~~ *has as its members only persons who comprise the membership of the risk retention group and which has as its owners only persons who comprise the membership of the risk retention group and who are provided insurance by that group;*

(6) whose members are engaged in businesses or activities similar or related with respect to the liability of which the members are exposed by virtue of any related, similar, or common business trade, product, services, premises, or operations;

(7) whose activities do not include the provision of insurance other than:

(a) liability insurance for assuming and spreading all or a portion of the liability of its group members; and

(b) reinsurance with respect to the liability of any other risk retention group, or any members of the other group, which is engaged in businesses or activities so that the group or member meets the requirement described in clause (6) from membership in the risk retention group which provides the reinsurance; and

(8) the name of which includes the phrase "risk retention group."

Sec. 14. Minnesota Statutes 1992, section 60E.03, is amended to read:

**60E.03 [RISK RETENTION GROUPS CHARTERED IN THIS STATE.]**

~~A risk retention group seeking to be chartered in this state must shall be chartered and licensed as a to write only liability insurance company authorized by the insurance laws of this state pursuant to sections 60E.01 to 60E.14 and, except as provided elsewhere in sections 60E.01 to 60E.14, must comply with all of the laws, rules, and requirements applicable to insurers chartered and licensed in this state and with section 60E.04 to the extent those requirements are not a limitation on laws, rules, or requirements of this state. Before it may offer insurance in a state, a risk retention group shall also submit for approval to the commissioner of commerce a plan of operation or a feasibility study and revisions of the plan or study if the group intends to offer additional lines of liability insurance.~~

*Notwithstanding any other provision to the contrary, all risk retention groups chartered in this state shall file with the department and the National Association of Insurance Commissioners (NAIC), an annual statement in a form prescribed by the NAIC, and in diskette form if required by the commissioner, and completed in accordance with its instructions and the NAIC accounting practices and procedures manual.*

*Before it may offer insurance in a state, each risk retention group shall also submit for approval to the commissioner of commerce a plan of operation or feasibility study. The risk retention group shall submit an appropriate revision in the event of any subsequent material change in any item of the plan of operation or feasibility study, within ten days of a change. The group shall not offer any additional kinds of liability insurance, in this state or in any other state, until a revision of the plan or study is approved by the commissioner.*

*At the time of filing its application for charter, the risk retention group shall provide to the commissioner in summary form the following information: the identity of the initial members of the group, the identity of those individuals who organized the group or who will provide administrative services or otherwise influence or control the activities of the group, the amount and nature of initial capitalization, the coverages to be afforded, and the states in which the group intends to operate. Upon receipt of this information, the commissioner shall forward the information to the National Association of Insurance Commissioners.*

*Providing notification to the NAIC is in addition to and shall not be sufficient to satisfy the requirements of section 60E.04 or any other sections of this chapter.*

Sec. 15. Minnesota Statutes 1992, section 60E.04, subdivision 1, is amended to read:

Subdivision 1. [REGULATION.] Risk retention groups chartered and licensed in states other than this state and seeking to do business as a risk

retention group in this state must observe and abide by the laws of this state as set forth in subdivisions 2 to 12.

Sec. 16. Minnesota Statutes 1992, section 60E.04, subdivision 2, is amended to read:

Subd. 2. [NOTICE OF OPERATIONS AND DESIGNATION OF COMMISSIONER AS AGENT.] (a) Before offering insurance in this state, a risk retention group shall submit to the commissioner *on a form prescribed by the NAIC*:

(1) a statement identifying the state or states in which the risk retention group is chartered and licensed as a liability insurance company, date of chartering, its principal place of business, and other information including information on its membership, the commissioner may require to verify that the risk retention group is qualified under section 60E.02, subdivision 12;

(2) a copy of its plan of operations or a feasibility study and revisions of the plan or study submitted to ~~its~~ *the state of domicile in which the risk retention group is chartered and licensed*; provided, however, that the provision relating to the submission of a plan of operation or a feasibility study shall not apply with respect to a line or classification of liability insurance that was defined in the Product Liability Risk Retention Act of 1981 before October 27, 1986, and was offered before that date by a risk retention group that had been chartered and operating for not less than three years before that date; ~~and~~.

~~(3)~~ (b) *The risk retention group shall submit a copy of any revision to its plan of operation or feasibility study required by section 60E.03 at the same time that the revision is submitted to the commissioner of its chartering state.*

(c) *The risk retention group shall submit a statement of registration, for which a filing fee shall be determined by the commissioner, that designates the commissioner as its agent for the purpose of receiving service of legal documents or process.*

Sec. 17. Minnesota Statutes 1992, section 60E.04, subdivision 3, is amended to read:

Subd. 3. [FINANCIAL CONDITION.] A risk retention group doing business in this state shall submit to the commissioner:

(1) a copy of the group's financial statement submitted to ~~its~~ *the state of domicile in which the risk retention group is chartered and licensed*, which shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by a member of the American Academy of Actuaries or a qualified loss reserve specialist, under criteria established by the National Association of Insurance Commissioners;

(2) a copy of each examination of the risk retention group as certified by the commissioner or public official conducting the examination;

(3) *upon request by the commissioner, a copy of an any information or document pertaining to any outside audit performed with respect to the risk retention group; and*

(4) the information required to verify its continuing qualification as a risk retention group under section 60E.02, subdivision 12.



Sec. 18. Minnesota Statutes 1992, section 60E.04, subdivision 4, is amended to read:

Subd. 4. [TAXATION.] (a) All premiums paid for coverages within this state to risk retention groups are subject to taxation at the same rate and subject to the same interest, fines, and penalties for nonpayment as that applicable to other insurers. Each risk retention group is liable for the payment of premium taxes and taxes on premiums of direct business for risks resident or located within this state, and shall report to the commissioner the net premiums written for risks resident or located within this state. The risk retention group shall be subject to taxation, and any applicable taxation-related fines and penalties, on the same basis as a foreign admitted insurer.

(b) To the extent agents or brokers are utilized, they shall report and pay the taxes for the premiums for risks which they have placed with or on behalf of a risk retention group not chartered in this state. The agents or brokers are subject to the provisions of sections 60A.195 to 60A.209. To the extent licensed agents or brokers are utilized pursuant to section 60E.12, they shall report to the commissioner the premiums for direct business for risks resident or located within this state which the licensees have placed with or on behalf of a risk retention group not chartered in this state.

(c) To the extent agents or brokers are not utilized or fail to pay the tax, each risk retention group shall pay the tax for risks insured within the state. Each risk retention group shall report all premiums paid to it for risks insured within the state and shall be subject to the same interest, fines, and penalties for nonpayment as that applicable to foreign admitted insurers. To the extent that insurance agents or brokers are utilized pursuant to section 60E.12, each agent or broker shall keep a complete and separate record of all policies procured from each risk retention group, which shall be open to examination by the commissioner, as provided in section 60A.031. These records shall, for each policy and each kind of insurance provided, include the following:

- (1) the limit of liability;
- (2) the time period covered;
- (3) the effective date;
- (4) the name of the risk retention group which issued the policy;
- (5) the gross premium charged; and
- (6) the amount of return premiums, if any.

Sec. 19. Minnesota Statutes 1992, section 60E.04, subdivision 7, is amended to read:

Subd. 7. [EXAMINATION REGARDING FINANCIAL CONDITION.] A risk retention group must submit to an examination by the commissioner to determine its financial condition if the commissioner of the jurisdiction in which the group is chartered and licensed has not initiated an examination or does not initiate an examination within ten business 60 days after a request by the commissioner of commerce. The examination must be coordinated to avoid unjustified repetition and conducted in an expeditious manner and in accordance with the National Association of Insurance Commissioner's Examiner Handbook.

Sec. 20. Minnesota Statutes 1992, section 60E.04, subdivision 8, is amended to read:

Subd. 8. [NOTICE TO PURCHASERS.] *An application form for insurance from a risk retention group and the front and declaration pages of a policy issued by a risk retention group must contain in 10 point type on the front page and the declaration page, the following notice:*

#### NOTICE

This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and rules of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

Sec. 21. Minnesota Statutes 1992, section 60E.04, subdivision 11, is amended to read:

Subd. 11. [PROHIBITED COVERAGE.] ~~No risk retention group may offer~~ *The terms of an insurance policy issued by a risk retention group shall not provide, or be construed to provide, coverage prohibited by the insurance laws or rules of this state statute or declared unlawful by the highest court of this the state whose law applies to the policy.*

Sec. 22. Minnesota Statutes 1992, section 60E.04, is amended by adding a subdivision to read:

Subd. 13. [PENALTIES.] *A risk retention group that violates any provision of this chapter is subject to fines and penalties including revocation of its right to do business in this state, applicable to licensed insurers generally.*

Sec. 23. Minnesota Statutes 1992, section 60E.05, is amended to read:

#### 60E.05 [COMPULSORY ASSOCIATIONS.]

No risk retention group shall be *required or* permitted to join or contribute financially to an insurance insolvency guaranty fund, or similar mechanism, in this state, nor shall any risk retention group, or its insureds, or claimants against its insureds receive a benefit from the fund for claims arising out of the operations of the risk retention group.

~~A risk retention group shall participate in this state's joint underwriting associations and mandatory liability pools as provided by chapters 60A to 72A and 340A.~~ *When a purchasing group obtains insurance covering its members' risks from an insurer not authorized in this state or a risk retention group, no such risks, wherever resident or located, shall be covered by any insurance guaranty fund or similar mechanism in this state.*

*When a purchasing group obtains insurance covering its members' risks from an authorized insurer, only risks resident or located in this state shall be covered by the Minnesota guaranty association under chapter 60C.*

*Notwithstanding chapter 62I, the commissioner may require or exempt a risk retention group from participation in any mechanism established or authorized under the law of this state for the equitable apportionment among insurers of liability insurance losses and expenses incurred on policies written through this mechanism, and the risk retention group shall submit sufficient information to the commissioner to enable the commissioner to apportion on a nondiscriminatory basis the risk retention group's proportionate share of these losses and expenses.*

Sec. 24. Minnesota Statutes 1992, section 60E.07, is amended to read:

60E.07 [PURCHASING GROUPS; EXEMPTION FROM CERTAIN LAWS RELATING TO THE GROUP PURCHASE OF INSURANCE.]

A purchasing group meeting the criteria established under the Federal Liability Risk Retention Act of 1986 is exempt from any law of this state relating to the creation of groups for the purchase of insurance, prohibition of group purchasing or any law that would discriminate against a purchasing group or its members. In addition, an insurer is exempt from any law of this state that prohibits providing, or offering to provide, to a purchasing group or its members advantages based on their loss and expense experience not afforded to other persons with respect to rates, policy forms, coverages, or other matters. A purchasing group is subject to all other applicable laws of this state, and its insurer or insurers are subject to all applicable laws of this state, except that a purchasing group and its insurer or insurers are exempt, in regard to liability insurance for the purchasing group, from any law that would:

- (1) prohibit the establishment of a purchasing group;
- (2) make it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its members, advantages based on their loss and expense experience not afforded to other persons with respect to rates, policy forms, coverages, or other matters;
- (3) prohibit a purchasing group or its members from purchasing insurance on a group basis described in clause (2);
- (4) prohibit a purchasing group from obtaining insurance on a group basis because the group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time;
- (5) require that a purchasing group must have a minimum number of members, common ownership or affiliation, or certain legal form;
- (6) require that a certain percentage of a purchasing group must obtain insurance on a group basis;
- (7) otherwise discriminate against a purchasing group or any of its members; or
- (8) require that any insurance policy issued to a purchasing group or any of its members be countersigned by an insurance agent or broker residing in this state.

Sec. 25. Minnesota Statutes 1992, section 60E.08, is amended to read:

60E.08 [NOTICE AND REGISTRATION REQUIREMENTS OF PURCHASING GROUPS.]

Subdivision 1. [NOTICE TO COMMISSIONER.] A purchasing group that intends to do business in this state shall, prior to doing business, furnish notice to the commissioner on forms prescribed by the NAIC which shall:

- (1) identify the state in which the group is domiciled;
- (2) identify all other states in which the group intends to do business;

(3) specify the lines and classifications of liability insurance which the purchasing group intends to purchase;

(3) (4) identify the insurance company or companies from which the group intends to purchase its insurance and the domicile of the company;

(4) (5) specify the method by which, and the person or persons, if any, through whom insurance will be offered to its members whose risks are resident or located in this state;

(6) identify the principal place of business of the group; and

(5) (7) provide other information required by the commissioner to verify that the purchasing group is qualified under section 60E.02, subdivision 11.

Subd. 2. [NOTICE OF CHANGE.] *A purchasing group shall, within ten days, notify the commissioner of any changes in any items set forth in subdivision 1.*

Subd. 3. [SERVICE OF PROCESS.] *The purchasing group shall register with and designate the commissioner or other appropriate authority as its agent solely for the purpose of receiving service of legal documents or process for which a filing fee shall be determined by the commissioner. These requirements do not apply to a purchasing group that only purchases insurance that was authorized under the federal Product Liability Risk Retention Act of 1981, and that in any state of the United States:*

(1) was domiciled before April 2, 1986, and is domiciled on and after October 27, 1986, in any state of the United States;

(2) before October 27, 1986, purchased insurance from an insurance carrier licensed in any state, and since October 27, 1986, purchased its insurance from an insurance carrier licensed in any state; and

(3) was a purchasing group under the requirements of the federal Product Liability Retention Act of 1981 before October 27, 1986; and

(4) does not purchase insurance that was not authorized for purposes of an exemption under the act referred to in clause (3), as in effect before October 27, 1986.

Subd. 4. [ADDITIONAL INFORMATION.] *Each purchasing group that is required to give notice pursuant to subdivision 1 shall also furnish information required by the commissioner to:*

(1) verify that the entity qualifies as a purchasing group;

(2) determine where the purchasing group is located; and

(3) determine appropriate tax treatment.

Sec. 26. Minnesota Statutes 1992, section 60E.09, is amended to read:

60E.09 [RESTRICTIONS ON INSURANCE PURCHASED BY PURCHASING GROUPS.]

A purchasing group may not purchase insurance from a risk retention group that is not chartered in a state or from an insurer not admitted in the state in which the purchasing group is located, unless the purchase is effected through a licensed agent or broker acting pursuant to the surplus lines laws and regulations of the state.

*A purchasing group which obtains liability insurance from an insurer not admitted in this state or a risk retention group shall inform each of the members of the group which have a risk resident or located in this state that the risk is not protected by an insurance insolvency guaranty fund in this state, and that the risk retention group or insurer may not be subject to all insurance laws and regulations of this state.*

*No purchasing group may purchase insurance providing for a deductible or self-insured retention applicable to the group as a whole, however, coverage may provide for a deductible or self-insured retention applicable to individual members.*

*Purchases of insurance by purchasing groups are subject to the same standards regarding aggregate limits which are applicable to all purchases of group insurance.*

**Sec. 27. [60E.095] [PURCHASING GROUP TAXATION.]**

*Premium taxes and taxes on premiums paid for coverage of risks resident or located in this state by a purchasing group or any members of the purchasing groups shall be:*

*(1) imposed at the same rate and subject to the same interest, fines, and penalties as that applicable to premium taxes and taxes on premiums paid for similar coverage from a similar insurance source by other insureds; and*

*(2) paid first by the insurance source, and if not by the source by the agent or broker for the purchasing group, and if not by the agent or broker then by the purchasing group, and if not by the purchasing group then by each of its members.*

**Sec. 28. Minnesota Statutes 1992, section 60E.10, is amended to read:**

**60E.10 [ADMINISTRATIVE AND PROCEDURAL AUTHORITY REGARDING RISK RETENTION GROUPS AND PURCHASING GROUPS.]**

*The commissioner of commerce may use any of the powers established under the insurance laws and rules of this state to enforce the laws and rules of this state so long as those powers are not specifically preempted by the Product Liability Risk Retention Act of 1981, as amended by the Risk Retention Amendments of 1986. This includes, but is not limited to, the commissioner's administrative authority to investigate, issue subpoenas, conduct depositions and hearings, issue orders, and impose penalties, and seek injunctive relief. With regard to an investigation, administrative proceedings, or litigation, the commissioner can rely on the procedural law and rules laws of the state. The injunctive authority of the commissioner in regard to risk retention groups is restricted by the requirement that an injunction be issued by a court of competent jurisdiction.*

**Sec. 29. Minnesota Statutes 1992, section 60E.12, is amended to read:**

**60E.12 [DUTY ON AGENTS OR BROKERS TO OBTAIN LICENSE.]**

*A person acting, or offering to act, as an agent or broker for a risk retention group or purchasing group, that solicits members, sells insurance coverage, purchases coverage for its members located within the state or otherwise does business in this state shall, before commencing this activity, obtain a license from the commissioner. Subdivision 1. [RISK RETENTION GROUPS.] No person, firm, association, or corporation shall act or aid in any manner in*

soliciting, negotiating, or procuring liability insurance in this state from a risk retention group unless the person, firm, association, or corporation is licensed as an insurance agent or broker in accordance with chapter 60K.

Subd. 2. [PURCHASING GROUPS.] (a) No person, firm, association, or corporation shall act or aid in any manner in soliciting, negotiating, or procuring liability insurance in this state for a purchasing group from an authorized insurer or a risk retention group chartered in a state unless the person, firm, association, or corporation is licensed as an insurance agent or broker in accordance with chapter 60K.

(b) No person, firm, association, or corporation shall act or aid in any manner in soliciting, negotiating, or procuring liability insurance coverage in this state for any member of a purchasing group under a purchasing group's policy unless the person, firm, association, or corporation is licensed as an insurance agent or broker in accordance with chapter 60K.

(c) No person, firm, association, or corporation shall act or aid in any manner in soliciting, negotiating, or procuring liability insurance from an insurer not authorized to do business in this state on behalf of a purchasing group located in this state unless the person, firm, association, or corporation is licensed as a surplus lines agent or excess line broker in accordance with sections 60A.195 to 60A.209.

Subd. 3. [AGENT OR BROKER RESIDENCE REQUIREMENT.] For purposes of acting as an agent or broker for a risk retention group or purchasing group pursuant to subdivisions 1 and 2, the requirement of residence in this state does not apply.

Subd. 4. [NOTICE TO INSURED.] Every person, firm, association, or corporation licensed pursuant to chapter 60A, on business placed with risk retention groups or written through a purchasing group, shall inform each prospective insured of the provisions of the notice required by section 60E.04, subdivision 8, in the case of a risk retention group and section 60E.09 in the case of a purchasing group.

Sec. 30. Minnesota Statutes 1992, section 60E.13, is amended to read:

**60E.13 [BINDING EFFECT OF ORDERS ISSUED IN UNITED STATES DISTRICT COURT.]**

An order issued by any district court of the United States enjoining a risk retention group from soliciting or selling insurance, or operating, in a state, or in all states or in a territory or possession of the United States, upon a finding that the group is in a hazardous financial condition or financially impaired condition shall be enforceable in the courts of the state.

Sec. 31. Minnesota Statutes 1992, section 79.252, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of the assigned risk plan is to provide workers' compensation coverage to employers rejected by two ~~nonaffiliated~~ a licensed insurance ~~companies~~, company pursuant to subdivision 2. Each rejection must be in writing and must be obtained within 60 days before the date of application to the assigned risk plan. In addition, the rejections must also show the name of the insurance company and the representative contacted.

Sec. 32. [TRANSITIONAL PROVISIONS.]

(a) *In addition to complying with the requirements of Minnesota Statutes, section 60E.04, a risk retention group operating in this state before the effective date of this act shall, within 30 days after that date, comply with the provisions of Minnesota Statutes, section 60E.04, subdivision 2, paragraph (a).*

(b) *A purchasing group which was doing business in this state before the enactment of this act shall, within 30 days after the effective date of this act, furnish notice to the commissioner pursuant to Minnesota Statutes, section 60E.08, subdivision 1, and furnish the information required pursuant to Minnesota Statutes, section 60E.08, subdivisions 2 and 3.*

Sec. 33. [REPEALER.]

*Minnesota Statutes 1992, sections 60A.07, subdivision 5d; 60A.12, subdivision 10; 60A.13, subdivision 3a; 60B.24; and 60E.11, are repealed. Minnesota Rules, parts 2710.0100; 2710.0200; 2710.0300; 2710.1100; 2710.1200; 2710.1300; 2710.1400; 2710.1500; 2710.1600; 2710.1700; 2710.1800; 2710.1900; 2710.2000; 2710.2100; 2710.3100; 2710.3200; and 2710.3300, are repealed."*

Delete the title and insert:

*"A bill for an act relating to insurance; regulating investments, assets and liabilities, and annual statements of companies; providing for continuance of coverage upon liquidation; modifying the definition of resident for purposes of the Minnesota insurance guaranty association; regulating dividends and other distributions of insurance holding company systems; regulating risk retention groups; enacting the NAIC model legislation; amending Minnesota Statutes 1992, sections 60A.11, subdivision 9; 60A.12, subdivision 3; 60A.13, subdivisions 1 and 6; 60A.23, subdivision 4; 60B.22, subdivision 1; 60C.03, subdivision 7; 60D.20, subdivisions 2 and 4; 60E.01; 60E.02, subdivisions 9 and 12; 60E.03; 60E.04, subdivisions 1, 2, 3, 4, 7, 8, 11, and by adding a subdivision; 60E.05; 60E.07; 60E.08; 60E.09; 60E.10; 60E.12; 60E.13; and 79.252, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 60A; and 60E; repealing Minnesota Statutes 1992, sections 60A.07, subdivision 5d; 60A.12, subdivision 10; 60A.13, subdivision 3a; 60B.24; 60E.11; Minnesota Rules, parts 2710.0100; 2710.0200; 2710.0300; 2710.1100; 2710.1200; 2710.1300; 2710.1400; 2710.1500; 2710.1600; 2710.1700; 2710.1800; 2710.1900; 2710.2000; 2710.2100; 2710.3100; 2710.3200; and 2710.3300."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

H.F. No. 168: A bill for an act relating to state government; authorizing state agencies to enter into contracts with regional organizations; proposing coding for new law in Minnesota Statutes, chapter 15.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 11, after the comma, insert *"state funds for the service must first be offered to potential service providers in the area not served by an active commission. If no provider agrees to provide the service,"*

Page 2, line 13, delete "shall" and insert "may"

Page 2, line 16, after the comma, insert "state funds for the service must first be offered to potential service providers in the area. If no provider agrees to provide the service,"

Page 2, after line 20, insert:

*"(e) This subdivision does not limit the authority of a state agency to enter into contractual agreements for services with other agencies or with local units of government."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 95: A bill for an act relating to transportation; defining personal transportation service; allowing provision of telephone caller identification service for certain commercial carriers of passengers; amending Minnesota Statutes 1992, section 221.011, subdivision 34; proposing coding for new law in Minnesota Statutes, chapter 237.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [237.74] [CLASS SERVICE.]

*Subdivision 1. [DEFINITION.] For purposes of this section, "CLASS" or "custom local area signaling service" means a custom calling telephone service that is enabled through the installation or use of Signaling System 7 and that allows a person answering a telephone call to view, retrieve, retain, or in any way have access to the telephone number, name, or any other information relating to the telephone from which the call is placed.*

*Subd. 2. [CLASS; TERMS AND CONDITIONS.] By January 1, 1994, the commission shall determine the terms and conditions under which CLASS services may be provided by telephone companies in this state.*

*Subd. 3. [CLASS; CAPABILITY AND OFFERING OF SERVICE.] Each telephone company that provides local telephone service to persons located in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington shall obtain the capability to offer CLASS services by January 1, 1995, unless the commission approves an extension to a date certain."*

Delete the title and insert:

"A bill for an act relating to transportation; allowing provision of telephone caller identification service; proposing coding for new law in Minnesota Statutes, chapter 237."

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred



S.F. No. 910: A bill for an act relating to motor carriers; defining exempt carriers to include certain tow trucks; amending Minnesota Statutes 1992, section 221.025.

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 1992, section 169.01, subdivision 52, is amended to read:

Subd. 52. [TOW TRUCK OR TOWING VEHICLE.] “Tow truck” or “towing vehicle” means a motor vehicle having a manufacturer’s gross vehicle weight rating of 8,000 pounds or more, equipped with a crane and winch; or an attached device used exclusively to transport vehicles, and further equipped to control the movement of the towed or transported vehicle.

Sec. 2. Minnesota Statutes 1992, section 221.025, is amended to read:

221.025 [EXEMPTIONS.]

The provisions of this chapter requiring a certificate or permit to operate as a motor carrier do not apply to the intrastate transportation described below:

(a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451;

(b) the transportation of solid waste, as defined in section 116.06, subdivision 22, including recyclable materials and waste tires, except that the term “hazardous waste” has the meaning given it in section 221.011, subdivision 31;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances; and tow trucks *equipped with proper and legal warning devices* when picking up and transporting (1) disabled or wrecked motor vehicles ~~and when carrying proper and legal warning devices~~ or (2) vehicles towed or transported under a towing order issued by a public employee *authorized to issue a towing order*;

(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) the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person’s home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(k) the transportation of property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;

(l) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(m) the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office and the carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm;

(n) passenger transportation service that is not charter service and that is under contract to and with operating assistance from the department or the regional transit board; and

(o) the transportation of newspapers, as defined in section 331A.01, subdivision 5, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less.

The exemptions provided in this section apply to a person only while the person is exclusively engaged in exempt transportation."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 169.01, subdivision 52; and"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was referred

S.F. No. 474: A bill for an act relating to transportation; requiring metropolitan area highway projects' environmental impact statements to address economic, social, and demographic efforts; requiring the revision of the state transportation plan to establish objectives and policies for the health of the fully developed part of the metropolitan area; prohibiting federal section 9 money from being used for highways; requiring the metropolitan council's transportation policy plan to require comparison of highways to transit and effects of highways on land use and housing; providing that the transit goals include stabilizing and enhancing the health of the metropolitan area; amending Minnesota Statutes 1992, sections 116D.04, by adding a subdivision; 174.03, subdivision 1a; 473.146, subdivision 3; 473.167, subdivision 1; 473.371; proposing coding for new law in Minnesota Statutes, chapter 174.

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 1992, section 174.03, subdivision 1a, is amended to read:

Subd. 1a. [REVISION OF STATE TRANSPORTATION PLAN.] The commissioner shall revise the state transportation plan by July 1, 1993, and by July 1 of each odd-numbered year thereafter. Before final adoption of a revised plan, the commissioner shall hold a hearing to receive public comment on the plan. The revised state transportation plan must:

(1) incorporate the goals of the state transportation system in section 174.01; and

(2) establish objectives, policies, and strategies for achieving those goals; and

(3) *establish transportation objectives, policies, and strategies for the metropolitan area, as defined in section 473.121, subdivision 2, to help stabilize and enhance the social and economic health of the central cities, the fully developed area, and the metropolitan area as a whole.*

Sec. 2. Minnesota Statutes 1992, section 473.146, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION CHAPTER OF THE DEVELOPMENT GUIDE.] The transportation chapter must include policies relating to all transportation forms and be designed to promote the legislative determinations, policies, and goals set forth in section 473.371. In addition to the requirements of subdivision 1 regarding the contents of the policy plan, the nontransit element of the transportation chapter must include the following:

(1) a statement of the needs and problems of the metropolitan area with respect to the functions covered, including the present and prospective demand for and constraints on access to regional business concentrations and other major activity centers and the constraints on and acceptable levels of development and vehicular trip generation at such centers;

(2) the objectives of and the policies to be forwarded by the policy plan;

(3) a general description of the physical facilities and services to be developed;

(4) a statement as to the general location of physical facilities and service areas;

(5) a general statement of timing and priorities in the development of those physical facilities and service areas;

(6) a detailed statement, updated every two years, of timing and priorities for improvements and expenditures needed on the metropolitan highway system; and

(7) a general statement on the level of public expenditure appropriate to the facilities;

(8) *procedures for determining whether the need to be met by any highway project that involves capacity improvement could be met at less cost, with less traffic congestion, and less environmental impact by transit improvements within the same transportation corridor; and*

(9) *provisions for consideration of the effects of highway projects in conjunction with land use and housing, including low- and moderate-income housing, on the social and economic isolation of low-income populations from growing economic opportunities in the developing suburban areas, within the area immediately affected by the project and within the entire metropolitan area.*

The council shall develop the nontransit element in consultation with the transportation advisory board and shall transmit the results to the state department of transportation.

Sec. 3. Minnesota Statutes 1992, section 473.371, subdivision 2, is amended to read:

Subd. 2. [GOALS.] The goals of sections 473.371 to 473.449 are as follows:

(a) to provide, to the greatest feasible extent, a basic level of mobility for all people in the metropolitan area;

(b) to arrange to the greatest feasible extent for the provision of a comprehensive set of transit and paratransit services to meet the needs of all people in the metropolitan area;

(c) to cooperate with private and public transit providers to assure the most efficient and coordinated use of existing and planned transit resources; and

(d) to maintain public mobility in the event of emergencies or energy shortages; and

(e) *to help stabilize and enhance the social and economic health of the metropolitan area by ensuring to the greatest feasible extent comprehensive transit services including, but not limited to, service connecting the central cities to areas with employment opportunities and services.*

Sec. 4. [APPLICATION.]

*Sections 2 and 3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

Delete the title and insert:

“A bill for an act relating to transportation; including in state transportation plan and metropolitan council development guide certain matters relating to metropolitan area; amending Minnesota Statutes 1992, sections 174.03, subdivision 1a; 473.146, subdivision 3; and 473.371, subdivision 2.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Chmielewski from the Committee on Transportation and Public Transit, to which was re-referred

S.F. No. 184: A bill for an act relating to recreational vehicles; regulating registration and operation of off-highway motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 84.91; 84.911; 85.018, subdivisions 2, 3, and 5; 171.03; and 466.03, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 84.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [84.93] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 10.*

*Subd. 2. [ACCOMPANIED.] “Accompanied” means subject to continuous direction or control.*

*Subd. 3. [CITY.] “City” means a statutory or home rule charter city.*

*Subd. 4. [COMMISSIONER.] “Commissioner” means the commissioner of natural resources.*

*Subd. 5. [DEALER.] “Dealer” means a person engaged in the business of selling off-highway motorcycles at wholesale or retail.*

*Subd. 6. [MANUFACTURER.] “Manufacturer” means a person engaged in the business of manufacturing off-highway motorcycles.*

*Subd. 7. [OFF-HIGHWAY MOTORCYCLE.] “Off-highway motorcycle” means a motorized, off-highway vehicle traveling on two wheels and having a seat or saddle designed to be straddled by the operator and handlebars for steering control, including a vehicle that is registered under chapter 168 for highway use if it is also used for off-highway operation on trails or unimproved terrain.*

*Subd. 8. [OWNER.] “Owner” means a person, other than a person with a security interest, that has a property interest in or title to an off-highway motorcycle and is entitled to the use and possession of the motorcycle.*

*Subd. 9. [PERSON.] “Person” has the meaning given it in section 336.1-201, subsection (30).*

*Subd. 10. [PUBLIC ROAD RIGHT-OF-WAY.] “Public road right-of-way” means the entire right-of-way of a town road or a county, county state-aid, or trunk highway, including the traveled portions, banks, ditches, shoulders, and medians.*

*Subd. 11. [REGISTER.] “Register” means the act of assigning a registration number to an off-highway motorcycle.*

Sec. 2. [84.931] [REGISTRATION.]

*Subdivision 1. [GENERAL REQUIREMENTS.] Unless exempted in subdivision 2, after January 1, 1994, a person may not operate and an owner may not give permission for another to operate an off-highway motorcycle on public lands or waters unless the vehicle has been registered under this section.*

*Subd. 2. [EXEMPTIONS.] Registration is not required for off-highway motorcycles:*

*(1) owned and used by the United States, the state, another state, or a political subdivision;*

(2) registered in another state or country that have not been within this state for more than 30 consecutive days;

(3) used exclusively in organized track racing events;

(4) being used on private land with the permission of the landowner; or

(5) registered under chapter 168, when operated on forest roads to gain access to a state forest campground.

*Subd. 3. [APPLICATION; ISSUANCE; REPORTS.] Application for registration or continued registration must be made to the commissioner or an authorized deputy registrar of motor vehicles on a form prescribed by the commissioner. The form must state the name and address of every owner of the off-highway motorcycle and must be signed by at least one owner. Upon receipt of the application and the appropriate fee, the commissioner shall assign a registration number that must be affixed to the motorcycle in a manner prescribed by the commissioner. The commissioner shall develop a registration system to register vehicles under this section. A deputy registrar of motor vehicles acting under section 168.33, is also a deputy registrar of off-highway motorcycles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to ensure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements. A fee of 50 cents in addition to other fees prescribed by law is charged for each off-highway motorcycle registered by a deputy registrar, and must be deposited in the treasury of the jurisdiction where the deputy is appointed, or kept if the deputy is not a public official.*

*Subd. 4. [REGISTRATION CARD; REPLACEMENT FEE.] The commissioner shall provide to the registrant a registration card that includes the registration number, the date of registration, the make and serial number of the off-highway motorcycle, the owner's name and address, and additional information the commissioner may require. Information concerning registrations must be kept by the commissioner. Upon a satisfactory showing that the registration card has been lost or destroyed, the commissioner shall issue a replacement registration card upon payment of a fee of \$4. The fees collected from replacement registration cards must be credited to the off-highway motorcycle account.*

*Subd. 5. [REPORT OF TRANSFERS; FEE.] A person who sells or transfers ownership of an off-highway motorcycle registered under this section shall report the sale or transfer to the commissioner within 15 days of the date of transfer. An application for transfer must be executed by the registered owner and the buyer on a form prescribed by the commissioner with the owner's registration certificate, a bill of sale, and a \$4 fee.*

*Subd. 6. [REGISTRATION FEES.] (a) The fee for registration of an off-highway motorcycle under this section, other than those registered by a dealer or manufacturer under paragraph (b) or (c), is \$30 for three years and \$4 for a duplicate or transfer.*

*(b) The total registration fee for off-highway motorcycles owned by a dealer and operated for demonstration or testing purposes is \$50 per year. Dealer registrations are not transferable.*

(c) *The total registration fee for off-highway motorcycles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes is \$150 per year. Manufacturer registrations are not transferable.*

(d) *The fees collected under this subdivision must be credited to the off-highway motorcycle account.*

*Subd. 7. [RENEWAL.] An owner of an off-highway motorcycle must renew registration in a manner prescribed by the commissioner upon payment of the appropriate registration fee in subdivision 6.*

*Subd. 8. [VEHICLES OWNED BY STATE OR POLITICAL SUBDIVISION.] A registration number must be issued without the payment of a fee for off-highway motorcycles owned by the state or political subdivision upon application.*

*Subd. 9. [LICENSING BY POLITICAL SUBDIVISIONS.] A political subdivision of this state may not require licensing or registration of off-highway motorcycles covered by sections 1 to 10.*

*Subd. 10. [REGISTRATION BY MINORS PROHIBITED.] A person under the age of 18 may not register an off-highway motorcycle.*

**Sec. 3. [84.932] [REQUIREMENTS OF MAKERS OF OFF-HIGHWAY MOTORCYCLES.]**

*Subdivision 1. [IDENTIFICATION NUMBER.] An off-highway motorcycle made after January 1, 1994, and sold in the state, must have a manufacturer's permanent identification number stamped in letters and numbers on the vehicle in the form and at a location prescribed by the commissioner.*

*Subd. 2. [REGISTRATION NUMBER.] An off-highway motorcycle made after January 1, 1995, and sold in the state, must be designed and made to provide an area to affix the registration number. This area must be at a location and of dimensions prescribed by the commissioner.*

**Sec. 4. [84.933] [RULEMAKING; ACCIDENT REPORT.]**

*(a) With a view of achieving proper use of off-highway motorcycles consistent with protection of the environment, the commissioner, in consultation with the commissioners of public safety and transportation, shall adopt rules under chapter 14 relating to:*

*(1) registration of off-highway motorcycles and display of registration numbers;*

*(2) use of off-highway motorcycles insofar as game and fish resources are affected;*

*(3) use of off-highway motorcycles on public lands and waters under the jurisdiction of the commissioner;*

*(4) uniform signs to be used by the state, counties, and cities necessary or desirable to control, direct, or regulate the operation and use of off-highway motorcycles; and*

*(5) off-highway motorcycle sound levels.*

(b) *The commissioner of public safety, in consultation with the commissioner of natural resources, may adopt rules under chapter 14 regulating the use of off-highway motorcycles on public roads.*

(c) *The operator and an officer investigating an accident of an off-highway motorcycle resulting in injury requiring medical attention or hospitalization to or death of a person or total damage to an extent of \$500 or more shall forward within ten days a written report of the accident to the commissioner on a form prescribed by the commissioner.*

Sec. 5. [84.934] [EDUCATION AND TRAINING.]

*Subdivision 1. [PROGRAM ESTABLISHED.] The commissioner shall establish a comprehensive off-highway motorcycle environment and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of off-highway motorcycle operators, and the issuance of off-highway motorcycle safety certificates to operators under the age of 16 years who successfully complete the off-highway motorcycle environment and safety education and training courses.*

*Subd. 2. [FEE.] For the purposes of administering the program and to defray a portion of the expenses of training and certifying vehicle operators, the commissioner shall collect a fee not to exceed \$5 from each person who receives the training. The fees must be credited to the off-highway motorcycle account.*

*Subd. 3. [COOPERATION AND CONSULTATION.] The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this section. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of off-road motorcycle operators.*

Sec. 6. [84.935] [SIGNAL FROM OFFICER TO STOP.]

*An off-highway motorcycle operator, after having received a visual or audible signal from a law enforcement officer to come to a stop, may not:*

- (1) operate an off-highway motorcycle in willful or wanton disregard of the signal to stop;*
- (2) interfere with or endanger the law enforcement officer or another person or vehicle; or*
- (3) increase speed or attempt to flee or elude the officer.*

Sec. 7. [84.936] [YOUTHFUL OPERATORS; PROHIBITIONS.]

*Subdivision 1. [PROHIBITIONS ON YOUTHFUL OPERATORS.] (a) After January 1, 1995, a person less than 16 years of age operating an off-highway motorcycle on public lands or waters must possess a valid off-highway motorcycle safety certificate issued by the commissioner.*

*(b) Except for operation on public road rights-of-way that is permitted under section 9, subdivision 1, a driver's license issued by the state or another state is required to operate an off-highway motorcycle along or on a public road right-of-way.*



(c) A person under 12 years of age may not:

(1) make a direct crossing of a public road right-of-way;

(2) operate an off-highway motorcycle on a public road right-of-way in the state; or

(3) operate an off-highway motorcycle on public lands or waters unless accompanied on another off-highway motorcycle by a person 18 years of age or older.

(d) Except for public road rights-of-way of interstate highways, a person less than 16 years of age may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway only if that person is accompanied on another off-highway motorcycle by a person 18 years of age or older who holds a valid driver's license.

(e) A person less than 16 years of age may operate an off-highway motorcycle on public road rights-of-way in accordance with section 9, subdivision 1, paragraph (a), only if that person is accompanied on another off-highway motorcycle by a person 18 years of age or older who holds a valid driver's license.

Subd. 2. [HELMET REQUIRED.] A person less than 18 years of age may not operate an off-highway motorcycle on public land, public waters, or on a public road right-of-way unless wearing a safety helmet approved by the commissioner of public safety.

Subd. 3. [PROHIBITIONS ON OWNER.] An owner of an off-highway motorcycle may not knowingly allow it to be operated contrary to this section.

Subd. 4. [EYE PROTECTION REQUIRED.] A person may not operate an off-highway motorcycle without an eye-protective device.

Sec. 8. [84.937] [OFF-HIGHWAY MOTORCYCLE ACCOUNT; RECEIPTS AND ALLOCATIONS.]

Subdivision 1. [REGISTRATION REVENUE AND UNREFUNDED GASOLINE TAX.] Fees from the registration of off-highway motorcycles must be deposited in the state treasury and credited to the off-highway motorcycle account in the natural resources fund.

Subd. 2. [PURPOSES.] (a) Subject to appropriation by the legislature, money in the off-highway motorcycle account may only be spent for:

(1) administration and implementation of sections 1 to 10;

(2) acquisition, maintenance, and development of off-highway motorcycle trails and use areas; and

(3) grants-in-aid to counties and municipalities to construct and maintain off-highway motorcycle trails and use areas.

(b) The distribution of funds made available for grants-in-aid must be guided by the statewide comprehensive outdoor recreation plan.

Sec. 9. [84.938] [OPERATION REQUIREMENTS; LOCAL REGULATION.]

Subdivision 1. [OPERATION ON PUBLIC ROAD RIGHTS-OF-WAY.] (a) A person may not operate an off-highway motorcycle within the right-of-way

of a trunk, county state-aid, or county highway in this state unless the right-of-way encompasses:

(1) a trail administered by the commissioner and designated for off-highway motorcycle use or multiple use; or

(2) a corridor access trail designated under paragraph (b).

(b) A road authority, as defined in section 160.02, subdivision 9, may designate, with the approval of the commissioner, corridor access trails on public road rights-of-way for gaining access to established off-highway motorcycle trails.

(c) A person may not operate an off-highway motorcycle upon a trunk, county state-aid, or county highway in this state unless the vehicle is equipped with at least one headlight and one taillight, each of minimum candlepower as prescribed by rule of the commissioner, and with brakes conforming to standards prescribed by rule of the commissioner, all of which are subject to the approval of the commissioner of public safety.

(d) A person may not operate an off-highway motorcycle at any time within the right-of-way of an interstate highway or freeway within this state.

**Subd. 2. [CROSSING PUBLIC ROAD RIGHT-OF-WAY.]** (a) A person operating an off-highway motorcycle may make a direct crossing of a public road right-of-way provided:

(1) the crossing is made at an angle of approximately 90 degrees to the direction of the road and at a place where no obstruction prevents a quick and safe crossing;

(2) the off-highway motorcycle is brought to a complete stop before crossing the shoulder or main traveled way of the road;

(3) the driver yields the right-of-way to all oncoming traffic that constitutes an immediate hazard;

(4) in crossing a divided road, the crossing is made only at an intersection of the road with another public road; and

(5) if the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on.

(b) Chapter 169 applies to the operation of off-highway motorcycles upon streets and highways, except for those provisions relating to required equipment and those provisions that by their nature have no application.

**Subd. 3. [EXEMPTIONS.]** Subdivisions 1 and 2 do not apply to vehicles registered for public road use under chapter 168 when being operated on a traveled portion of a public road.

**Subd. 4. [OPERATION GENERALLY.]** A person may not drive or operate an off-highway motorcycle:

(1) at a rate of speed greater than reasonable or proper under the surrounding circumstances;

(2) in a careless, reckless, or negligent manner so as to endanger or to cause injury or damage to the person or property of another;

(3) in a tree nursery or planting in a manner that damages or destroys growing stock;

(4) without a brake operational by either hand or foot;

(5) at a speed exceeding ten miles per hour on the frozen surface of public waters within 100 feet of a person fishing or a fishing shelter; or

(6) in a manner that violates operation rules adopted by the commissioner.

**Subd. 5. [OPERATING UNDER INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCE.]** A person may not operate or be in control of an off-highway motorcycle anywhere in this state or on the ice of any boundary water of this state while under the influence of alcohol or a controlled substance, as provided in section 169.121, and is subject to section 169.123. A conservation officer of the department of natural resources is a peace officer for the purposes of sections 169.121 and 169.123 as applied to the operation of an off-highway motorcycle in a manner not subject to registration under chapter 168.

**Subd. 6. [OPERATION PROHIBITED ON AIRPORTS.]** A person may not drive or operate an off-highway motorcycle on an airport defined in section 360.013, subdivision 5.

**Subd. 7. [ORGANIZED CONTESTS.]** Nothing in this section or chapter 169 prohibits the use of off-highway motorcycles within the right-of-way of a state trunk or county state-aid highway or upon public lands or waters under the jurisdiction of the commissioner of natural resources, in an organized contest or event, subject to the consent of the official or board having jurisdiction over the highway or public lands or waters.

In permitting the contest or event, the official or board having jurisdiction may prescribe restrictions, conditions, or permit revocation procedures, as the official or board considers advisable.

**Subd. 8. [REGULATIONS BY POLITICAL SUBDIVISIONS.]** A county, city, or town, acting through its governing body, may regulate the operation of off-highway motorcycles on public lands, waters, and property under its jurisdiction other than public road rights-of-way within its boundaries, by resolution or ordinance of the governing body and by giving appropriate notice, provided that:

(1) the regulations must be consistent with sections 1 to 10 and rules adopted under section 4;

(2) an ordinance may not impose a fee for the use of public land or water under the jurisdiction of either the department of natural resources or another agency of the state, or for the use of an access to it owned by the state, a county, or a city, and

(3) an ordinance may not require an off-highway motorcycle operator to possess a motor vehicle driver's license while operating an off-highway motorcycle.

**Sec. 10. [84.939] [PENALTIES.]**

A person who violates a provision of section 2, 3, 6, 7, or 9 is guilty of a misdemeanor.

Sec. 11. Minnesota Statutes 1992, section 85.018, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY OF LOCAL GOVERNMENT.] (a) A local government unit that receives state grants-in-aid for any trail, with the concurrence of the commissioner, and the landowner or land lessee, may:

(1) designate the trail for use by snowmobiles or for nonmotorized use from December 1 to April 1 of any year; and

(2) issue any permit required under subdivisions 3 to 5.

(b) A local government unit that receives state grants-in-aid under section 84.927, subdivision 2, or section 8, subdivision 2, for any trail, with the concurrence of the commissioner, and landowner or land lessee, may:

(1) designate the trail specifically for use at various times of the year by all-terrain vehicles or *off-highway motorcycles*, for nonmotorized use such as ski touring, snowshoeing, and hiking, and for multiple use, but not for motorized and nonmotorized use at the same time; and

(2) issue any permit required under subdivisions 3 to 5.

(c) A local unit of government that receives state grants-in-aid for any trail, with the concurrence of the commissioner and landowner or land lessee, may designate certain trails for joint use by snowmobiles, *off-highway motorcycles*, and all-terrain vehicles.

Sec. 12. Minnesota Statutes 1992, section 85.018, subdivision 3, is amended to read:

Subd. 3. [MOTORIZED USE; PERMITS, RESTRICTIONS.] Permits may be issued for motorized vehicles, other than those designated, to use a trail designated for use by snowmobiles, *off-highway motorcycles*, or all-terrain vehicles. Notice of the permit must be conspicuously posted, at the expense of the permit holder, at no less than one-half mile intervals along the trail, for the duration of the permit. Permits shall require that permit holders return the trail and any associated facility to their original condition if any damage is done by the permittee. Limited permits for special events such as races may be issued and shall require the removal of any trail markers, banners and other material used in connection with the special event.

Sec. 13. Minnesota Statutes 1992, section 85.018, subdivision 5, is amended to read:

Subd. 5. [SNOWMOBILE AND ALL-TERRAIN MOTORIZED VEHICLE TRAILS RESTRICTED.] (a) From December 1 to April 1 in any year no use of a motorized vehicle other than a snowmobile, unless authorized by permit, lease or easement, shall be permitted on a trail designated for use by snowmobiles.

(b) From December 1 to April 1 in any year no use of a motorized vehicle other than an all-terrain vehicle and an *off-highway motorcycle*, unless authorized by permit, shall be permitted on a trail designated for use by all-terrain vehicles and *off-highway motorcycles*.

Sec. 14. Minnesota Statutes 1992, section 171.03, is amended to read:

171.03 [PERSONS EXEMPT.]

The following persons are exempt from license hereunder:

(1) a person in the employ or service of the United States federal government while driving or operating a motor vehicle owned by or leased to the United States federal government, except that only a noncivilian operator of a commercial motor vehicle owned or leased by the United States Department of Defense or the Minnesota national guard is exempt from the requirement to possess a valid commercial motor vehicle driver's license;

(2) any person while driving or operating any farm tractor, or implement of husbandry temporarily operated or moved on a highway, and for purposes of this section an all-terrain vehicle, as defined in section 84.92, subdivision 8, ~~is not an implement and an off-highway motorcycle, as defined in section 1, subdivision 7, are not implements of husbandry;~~

(3) a nonresident who is at least 15 years of age and who has in immediate possession a valid driver's license issued to the nonresident in the home state or country may operate a motor vehicle in this state only as a driver;

(4) a nonresident who has in immediate possession a valid commercial driver's license issued by a state in compliance with the Commercial Motor Vehicle Safety Act of 1986, United States Code, title 49, sections 521, 2304, and 2701 to 2716, and who is operating in Minnesota the class of commercial motor vehicle authorized by the issuing state;

(5) any nonresident who is at least 18 years of age, whose home state or country does not require the licensing of drivers may operate a motor vehicle as a driver, only for a period of not more than 90 days in any calendar year if the motor vehicle so operated is duly registered for the current calendar year in the home state or country of such nonresident;

(6) any person who becomes a resident of the state of Minnesota and who has in possession a valid driver's license issued to the person under and pursuant to the laws of some other state or province or by military authorities of the United States may operate a motor vehicle as a driver, only for a period of not more than 60 days after becoming a resident of this state without being required to have a Minnesota driver's license as provided in this chapter;

(7) any person who becomes a resident of the state of Minnesota and who has in possession a valid commercial driver's license issued by another state in compliance with the Commercial Motor Vehicle Safety Act of 1986, United States Code, title 49, sections 521, 2304, and 2701 to 2716, for not more than 30 days after becoming a resident of this state; and

(8) any person operating a snowmobile, as defined in section 84.81.

Sec. 15. Minnesota Statutes 1992, section 466.03, subdivision 16, is amended to read:

Subd. 16. Any claim against a county, arising from the operation of an all-terrain vehicle or off-highway motorcycle on land administered by a county under chapter 280, 281, or 282, except that the county is liable for conduct that would entitle a trespasser to damages against a private person.

Sec. 16. [DETERMINATION OF TAX ALLOCATION; REPORT TO LEGISLATURE.]

*The commissioners of natural resources, revenue, and transportation shall jointly determine the amount of unrefunded gasoline tax attributable to*

*off-highway motorcycle use in the state and shall report to the legislature by March 1, 1994, with an appropriate proposed revision to Minnesota Statutes, section 296.16.*

**Sec. 17. [LEGISLATIVE REPORT ON REGISTRATION AND USE.]**

*By January 1, 1995, the commissioner of natural resources shall report to the legislature on the number of off-highway motorcycles registered under section 2 and the growth patterns of off-highway motorcycle use in the state.*

**Sec. 18. [APPROPRIATION AND REIMBURSEMENT; INCREASED COMPLEMENT.]**

*Subdivision 1. [TO COMMISSIONER OF NATURAL RESOURCES.] \$..... is appropriated to the commissioner of natural resources from the general fund for the purposes of sections 1 to 17 and is available for the fiscal year ending June 30, 1994. The approved complement of the department of natural resources is increased by .... positions.*

*Subd. 2. [REIMBURSEMENT.] Amounts spent by the commissioner of natural resources from the appropriation in subdivision 1 must be reimbursed to the general fund. The amount necessary to make the reimbursement is appropriated from the off-highway motorcycle account in the natural resources fund to the commissioner of finance for transfer to the general fund."*

Delete the title and insert:

"A bill for an act relating to recreational vehicles; regulating registration and operation of off-highway motorcycles; setting fees and penalties; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 85.018, subdivisions 2, 3, and 5; 171.03; and 466.03, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 84."

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Ms. Lesewski questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 771: A bill for an act relating to motor fuels; changing the formula for payments made to producers of ethanol; increasing oxygenate level requirements for gasoline; authorizing the pollution control agency to contract to expedite permit process; eliminating certain LGA/HACA offsets for tax increment financing districts; amending Minnesota Statutes 1992, sections 41A.09, subdivision 3; 116.07, subdivision 4a; 239.791, subdivisions 1 and 2; and 273.1399, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 12, strike "an average of" and insert "at least" and reinstate the stricken "2.7" and delete "three"

Page 4, line 24, after the period, insert "Sections 2 to 5 are effective the day following final enactment."

And when so amended the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 1163: A bill for an act relating to capital improvements; 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.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Environment and Natural Resources. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 695: A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.01, subdivision 2; 473H.02, subdivision 4; 473H.03, subdivisions 1, 4, 5, and 6; 473H.04, subdivisions 1, 2, and 3; 473H.05, subdivision 1; 473H.06, subdivision 5; 473H.07; 473H.08, subdivision 3; 473H.11; and 473H.12; repealing Minnesota Statutes 1992, section 473H.02, 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 1992, section 473H.11, is amended to read:  
473H.11 [LIMITATION ON CERTAIN PUBLIC PROJECTS.]

Notwithstanding chapter 429, construction projects for public sanitary sewer systems and public water systems benefiting land or buildings in agricultural preserves shall be prohibited. New connections between land or buildings in agricultural preserves and sanitary sewers or water systems shall be prohibited. Public sanitary sewer ~~or~~ systems, public storm water sewer systems, public water systems, public roads, and other public improvements built on, adjacent to, or in the vicinity of agricultural preserves after the effective date of this act are deemed of no benefit to the land and buildings in agricultural preserves.

*For purposes of this section, “public storm water sewer systems” means any wholly or partially piped system which is owned, operated, and maintained by the authority, that is designed to carry storm water runoff, surface water, or other drainage primarily for the benefit of land which is not in agricultural preserves.*

Sec. 2. Minnesota Statutes 1992, section 473H.12, is amended to read:  
473H.12 [PROTECTION FOR NORMAL FARM PRACTICES.]

Local governments and counties shall be prohibited from enacting or enforcing ordinances or regulations within an agricultural preserve which would, as adopted or applied, unreasonably restrict or regulate normal farm

structures or farm practices in contravention of the purpose of sections 473H.02 to 473H.17 unless the restriction or regulation bears a direct relationship to an *immediate and substantial threat* to the public health and safety. This section shall apply to the operation of farm vehicles and machinery in the planting, maintenance and harvesting of crops and in the care and feeding of farm animals, the type of farming, and the design of farm structures, exclusive of residences.

Sec. 3. [APPLICATION.]

*This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*"

Delete the title and insert:

"A bill for an act relating to metropolitan government; providing long-term protection of agricultural land in the metropolitan area; amending Minnesota Statutes 1992, sections 473H.11; and 473H.12."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 1046: A bill for an act relating to crimes; prohibiting persons from interfering with access to medical facilities; prescribing penalties; authorizing civil and equitable remedies; amending Minnesota Statutes 1992, section 488A.101; proposing coding for new law in Minnesota Statutes, chapter 609.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete lines 4 to 9 and insert:

*"(b) 'Aggrieved party' means a person whose access to or egress from a medical facility is obstructed in violation of subdivision 2, or the medical facility."*

Page 2, line 12, after "*individual's*" insert "*lawful*" and after the second "*or*" insert "*egress*".

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Bertram from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 1178: A bill for an act relating to agriculture; declaring llamas to be livestock and raising llama to be an agricultural pursuit; defining llama farming as agricultural production for purposes of the sales tax; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31A.02, subdivisions 4 and 10; 31B.02, subdivision 4; and 297A.01, subdivision 13; 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. [17.453] [DEFINITIONS.]



*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 and 2.*

*Subd. 2. [OWNER.] "Owner" means a person who owns or is responsible for the raising of ratitae.*

*Subd. 3. [RATITAE.] "Ratitae" means members of the ratitae family (including ostrich, emu, and rhea) that are raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.*

**Sec. 2. [17.454] [RATITAE.]**

*Subdivision 1. [RATITAE ARE LIVESTOCK.] Ratitae are livestock and are not wild animals for purposes of hunting or wildlife laws. Ratitae and their products are farm products and livestock for purposes of financial transactions and collateral.*

*Subd. 2. [RAISING RATITAE IS AN AGRICULTURAL PURSUIT.] Raising ratitae is agricultural production and an agricultural pursuit.*

*Subd. 3. [SALES OF RATITAE AND MEAT PRODUCTS.] Persons selling or buying ratitae sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.*

*Subd. 4. [SLAUGHTER.] Ratitae must be slaughtered in a facility licensed and inspected by the Minnesota department of agriculture.*

*Subd. 5. [DISEASE INSPECTION.] Ratitae are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.*

**Sec. 3. [17.455] [DEFINITIONS.]**

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 3 and 4.*

*Subd. 2. [LLAMA.] "Llama" means a member of the genus llama that is raised for the purpose of producing fiber, meat, or animal by-products or as breeding stock.*

*Subd. 3. [OWNER.] "Owner" means a person who owns or is responsible for the raising of llamas.*

**Sec. 4. [17.456] [LLAMA.]**

*Subdivision 1. [LLAMAS ARE LIVESTOCK.] Llamas are livestock and are not wild animals for purposes of hunting or wildlife laws. Llamas and their products are farm products and livestock for purposes of financial transactions and collateral.*

*Subd. 2. [RAISING LLAMAS IS AN AGRICULTURAL PURSUIT.] Raising llamas is agricultural production and an agricultural pursuit.*

*Subd. 3. [SALES OF LLAMAS AND MEAT PRODUCTS.] Persons selling or buying llamas sold as livestock, sold for human consumption, or sold for slaughter must comply with chapters 17A, 28A, 31, 31A, and 31B.*

*Subd. 4. [SLAUGHTER.] Llamas must be slaughtered in a facility licensed and inspected by the Minnesota department of agriculture.*

Subd. 5. [DISEASE INSPECTION.] *Llamas are subject to chapter 35 and the rules of the board of animal health in the same manner as livestock and domestic animals, including provisions relating to importation and transportation.*

Sec. 5. Minnesota Statutes 1992, section 17A.03, subdivision 5, is amended to read:

Subd. 5. [LIVESTOCK.] "Livestock" means cattle, sheep, swine, horses intended for slaughter, mules, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, and goats.

Sec. 6. Minnesota Statutes 1992, section 31.51, subdivision 9, is amended to read:

Subd. 9. "Animal" means cattle, swine, sheep, goats, horses, mules or other equines, llamas as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3.

Sec. 7. Minnesota Statutes 1992, section 31A.02, subdivision 4, is amended to read:

Subd. 4. [ANIMALS.] "Animals" means cattle, swine, sheep, goats, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, horses, equines, and other large domesticated animals, not including poultry.

Sec. 8. Minnesota Statutes 1992, section 31A.02, subdivision 10, is amended to read:

Subd. 10. [MEAT FOOD PRODUCT.] "Meat food product" means a product usable as human food and made wholly or in part from meat or a portion of the carcass of cattle, sheep, swine, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, or goats. "Meat food product" does not include products which contain meat or other portions of the carcasses of cattle, sheep, swine, llamas, ratitae, or goats only in a relatively small proportion or that historically have not been considered by consumers as products of the meat food industry, and which are exempted from definition as a meat food product by the commissioner under the conditions the commissioner prescribes to assure that the meat or other portions of carcasses contained in the products are not adulterated and that the products are not represented as meat food products.

"Meat food product," as applied to products of equines, has a meaning comparable to that for cattle, sheep, swine, llamas, ratitae, and goats.

Sec. 9. Minnesota Statutes 1992, section 31B.02, subdivision 4, is amended to read:

Subd. 4. [LIVESTOCK.] "Livestock" means live or dead cattle, sheep, swine, horses, mules, llamas, as defined in section 17.455, subdivision 2, ratitae, as defined in section 17.453, subdivision 3, or goats."

Delete the title and insert:

"A bill for an act relating to agriculture; declaring llamas and ratitae to be livestock and raising llamas and ratitae to be agricultural pursuits; amending Minnesota Statutes 1992, sections 17A.03, subdivision 5; 31.51, subdivision

9; 31A.02, subdivisions 4 and 10; and 31B.02, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 17.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

H.F. No. 1454: A bill for an act relating to the city of Hutchinson; permitting the city to erect certain signs.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Piper from the Committee on Family Services, to which was re-referred

S.F. No. 190: A bill for an act relating to government data practices; providing that certain criminal conviction data are public; providing that a record of conviction of certain crimes and other determinations disqualify an individual from obtaining certain human services licenses; providing for access to certain data on day care and foster care licensees; amending Minnesota Statutes 1992, sections 13.46, subdivision 4; 13.87, subdivision 2; and 245A.04, subdivision 3b.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Piper from the Committee on Family Services, to which was referred

S.F. No. 1241: A bill for an act relating to human services; establishing an alternative grant application process for categorical social service programs in Pine county.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [AUTHORIZATION FOR DEMONSTRATION PROJECT.]

*The commissioner of human services shall allow Pine county to send a letter of intent in lieu of completing a grant application to apply for categorical social service funding as part of a four-year intergovernmental agreement demonstration project. The demonstration project is an alternative method of obtaining social service funding which is part of a larger project to simplify and consolidate social services planning and reporting in Pine county. The demonstration project is an effort to streamline planning and remove administrative burdens on smaller counties.*

Sec. 2. [SOCIAL SERVICE PLAN.]

*Pine county must amend its social service plan within 12 months of receiving funding to incorporate the requirements of the grant application process into the social service plan.*

Sec. 3. [COMPLIANCE AND MONITORING.]

*The commissioner may terminate the demonstration project if Pine county is not using the categorical funding for the intended purpose. The commissioner shall send Pine county a 60-day notice and provide an opportunity for Pine county to appeal before terminating the project.*

Sec. 4. [REPORT.]

*The commissioner shall report to the legislature annually beginning January 1, 1995. The report shall evaluate Pine county's intergovernmental agreements project and also the advantages of the alternative funding process for counties with a population under 30,000."*

And when so amended the bill do pass and be placed on the Consent Calendar.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 157 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.
157	1279				

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. 1228 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.
1228	664				

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. 785 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.
785	662				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 785 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 785 and insert the language after the enacting clause of S.F. No. 662, the first engrossment; further, delete the title of H.F. No. 785 and insert the title of S.F. No. 662, the first engrossment.

And when so amended H.F. No. 785 will be identical to S.F. No. 662, and further recommends that H.F. No. 785 be given its second reading and substituted for S.F. No. 662, 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.

Ms. Piper from the Committee on Family Services, to which was re-referred

S.F. No. 443: A bill for an act relating to housing; establishing a human services enterprise zone demonstration project; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, delete "\$....." and insert "\$300,000"

Page 1, line 9, delete "human services"

Page 1, line 10, delete "enterprise zone" and insert "collaborative service area"

Page 1, line 12, delete "zone" and insert "collaborative service area"

Page 1, line 20, after "state," insert "county,"

Page 2, line 1, delete "human service enterprise zone" and insert "collaborative service area"

Page 2, line 5, after "agency" insert "and for the legislature"

Page 2, line 8, delete "human services enterprise zone" and insert "collaborative service area"

Amend the title as follows:

Page 1, lines 2 and 3, delete "human services enterprise zone" and insert "collaborative service area"

And when so amended the bill do pass and be re-referred to the Committee on Jobs, Energy and Community Development. Amendments adopted. Report adopted.

### SECOND READING OF SENATE BILLS

S.F. Nos. 240, 785, 1193, 1232, 1528, 869, 685, 1299, 1187, 699, 1602, 751, 1446, 910, 474, 695, 1046, 1178 and 190 were read the second time.

### SECOND READING OF HOUSE BILLS

H.F. Nos. 74, 237, 498, 477, 783, 520, 1153, 1404, 945, 806, 670, 667, 226, 168, 1454, 157, 1228 and 785 were read the second time.

### MOTIONS AND RESOLUTIONS

Mr. Sams moved that the name of Mr. Vickerman be added as a co-author to S.F. No. 699. The motion prevailed.

Mr. Chandler moved that his name be stricken as a co-author to S.F. No. 1053. The motion prevailed.

Mr. Moe, R.D. moved that his be stricken as a co-author to S.F. No. 1053. The motion prevailed.

Mr. Sams moved that the name of Mr. Bertram be added as a co-author to S.F. No. 1609. The motion prevailed.

Mr. Hottinger moved that S.F. No. 832 be withdrawn from the Committee on Governmental Operations and Reform and re-referred to the Committee on Finance. The motion prevailed.

Ms. Olson introduced—

Senate Resolution No. 36: A Senate resolution congratulating Hilltop Primary School for receiving the 1992-1993 MESPA School of Excellence award.

Referred to the Committee on Rules and Administration.

Mr. Luther moved that H.F. No. 639 be withdrawn from the Committee on Commerce and Consumer Protection and re-referred to the Committee on Rules and Administration for comparison with S.F. No. 1528, now on General Orders. The motion prevailed.

Mr. Morse moved that S.F. No. 762 be withdrawn from the Committee on Transportation and Public Transit and re-referred to the Committee on Finance. The motion prevailed.

### INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Murphy; Vickerman; Johnson, D.E.; Luther and Larson introduced—

S.F. No. 1612: A bill for an act relating to the military; changing the national guard tuition reimbursement law; amending Minnesota Statutes 1992, section 192.501, subdivision 2.

Referred to the Committee on Finance.

Mr. Kroening and Ms. Johnson, J.B. introduced—

S.F. No. 1613: A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.12, subdivision 12; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

Referred to the Committee on Finance.

#### MEMBERS EXCUSED

Messrs. Beckman; Johnson, D.J.; Moe, R.D.; Neuville and Solon were excused from the Session of today.

#### ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 8:30 a.m., Monday, April 19, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

## THIRTY-EIGHTH DAY

St. Paul, Minnesota, Monday, April 19, 1993

The Senate met at 8:30 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, Dr. Morris G.C. Vaagenes.

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	Dille	Kroening	Murphy	Runbeck
Anderson	Finn	Laidig	Neuville	Sams
Beckman	Flynn	Langseth	Novak	Samuelson
Belanger	Frederickson	Larson	Oliver	Solon
Benson, D.D.	Hanson	Lesewski	Olson	Spear
Benson, J.E.	Hottinger	Lessard	Pappas	Stevens
Berg	Johnson, D.E.	Luther	Pariseau	Stumpf
Berglin	Johnson, D.J.	Marty	Piper	Terwilliger
Bertram	Johnson, J.B.	McGowan	Pogemiller	Vickerman
Betzold	Johnston	Merriam	Price	Wiener
Chandler	Kelly	Metzen	Ranum	
Chmielewski	Kiscaden	Moe, R.D.	Reichgott	
Cohen	Knutson	Mondale	Riveness	
Day	Krentz	Morse	Robertson	

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 report on S.F. No. 521. The motion prevailed.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 521: A bill for an act relating to health; permitting minors to give consent for a hepatitis B vaccination; establishing procedures and programs relating to tuberculosis; proposing coding for new law in Minnesota Statutes, chapter 144.



Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [144.3441] [HEPATITIS B VACCINATION.]

*A minor may give effective consent for a hepatitis B vaccination. The consent of no other person is required.*

Sec. 2. [144.441] [TUBERCULOSIS SCREENING IN SCHOOLS.]

*Subdivision 1. [DEFINITIONS.] As used in sections 2 to 5, the following terms have the meanings given them:*

(a) *“Person employed by a school or school district” means a person employed by a school, school district, or by an educational cooperative services unit as a member of the instructional, supervisory, or support staff including, but not limited to, superintendents, principals, supervisors, teachers, librarians, counselors, school psychologists, school nurses, school social workers, audiovisual directors or coordinators, recreation personnel, media generalists or supervisors, speech therapists, athletic coaches, teachers’ aids, clerical workers, custodians, school bus drivers, and food service workers.*

(b) *“Person enrolled in a school” means a person enrolled in grades kindergarten through 12 and a handicapped child receiving special instruction and services in a school.*

(c) *“School” includes any public elementary, middle, secondary, or vocational center school as defined in section 120.05, or nonpublic school, church, or religious organization in which a child is provided instruction in compliance with sections 120.101 and 120.102.*

*Subd. 2. [DESIGNATION OF SCHOOLS:] Based on the occurrence of active tuberculosis or evidence of a higher than expected prevalence of tuberculosis infection in the population attending or employed by one or more schools in a school district, the commissioner of health may designate schools or a school district in which screening of some or all persons enrolled in or employed by the school or school district for tuberculosis is a necessary public health measure. In making the designation, the commissioner shall also determine the frequency with which proof of screening must be submitted. In determining whether the population attending or employed by a school or school district has a higher than expected prevalence of tuberculosis infection, the commissioner shall consider factors such as race or ethnicity, age, and the geographic location of residence of the student population; the expected background prevalence of tuberculosis infection in the community; and currently accepted public health standards pertaining to the control of tuberculosis.*

*Subd. 3. [SCREENING OF STUDENTS.] As determined by the commissioner under subdivision 2, no person may enroll or remain enrolled in any school which the commissioner has designated under subdivision 2 until the person has submitted to the administrator or other person having general control and supervision of the school, one of the following statements:*

(1) *a statement from a physician or public clinic stating that the person has had a negative Mantoux test reaction within the past year, provided that the*

person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis;

(2) a statement from a physician or public clinic stating that a person who has a positive Mantoux test reaction has had a negative chest roentgenogram (X-ray) for tuberculosis within the past year, provided that the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis;

(3) a statement from a physician or public health clinic stating that the person (i) has a history of adequately treated active tuberculosis; (ii) is currently receiving tuberculosis preventive therapy; (iii) is currently undergoing therapy for active tuberculosis and the person's presence in a school building will not endanger the health of other people; or (iv) has completed a course of tuberculosis preventive therapy or was intolerant to preventive therapy, provided the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis; or

(4) a notarized statement signed by the minor child's parent or guardian or by the emancipated person stating that the person has not submitted the proof of tuberculosis screening as required by this subdivision because of the conscientiously held beliefs of the parent or guardian of the minor child or of the emancipated person. This statement must be forwarded to the commissioner.

*Subd. 4. [SCREENING OF EMPLOYEES.]* As determined by the commissioner under subdivision 2, a person employed by the designated school or school district shall submit to the administrator or other person having general control and supervision of the school one of the following:

(1) a statement from a physician or public clinic stating that the person has had a negative Mantoux test reaction within the past year, provided that the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis;

(2) a statement from a physician or public clinic stating that a person who has a positive Mantoux test reaction has had a negative chest roentgenogram (X-ray) for tuberculosis within the past year, provided that the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis;

(3) a statement from a physician or public health clinic stating that the person (i) has a history of adequately treated active tuberculosis; (ii) is currently receiving tuberculosis preventive therapy; (iii) is currently undergoing therapy for active tuberculosis and the person's presence in a school building will not endanger the health of other people; or (iv) has completed a course of preventive therapy or was intolerant to preventive therapy, provided the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis; or

(4) a notarized statement signed by the person stating that the person has not submitted the proof of tuberculosis screening as required by this subdivision because of conscientiously held beliefs. This statement must be forwarded to the commissioner of health.

*Subd. 5. [EXCEPTIONS.]* Subdivisions 3 and 4 do not apply to:

(1) a person with a history of either a past positive Mantoux test reaction or active tuberculosis who has a documented history of completing a course of tuberculosis therapy or preventive therapy when the school or school district holds a statement from a physician or public health clinic indicating that such therapy was provided to the person and that the person has no symptoms suggestive of tuberculosis or evidence of a new exposure to active tuberculosis; and

(2) a person with a history of a past positive Mantoux test reaction who has not completed a course of preventive therapy. This determination shall be made by the commissioner based on currently accepted public health standards and the person's health status.

**Subd. 6. [PROGRAMS USING SCHOOL FACILITIES.]** The commissioner may require the statements described in subdivisions 3 and 4 to be submitted by participants or staff of a program or activity that uses the facilities of a school or school district on a regular and ongoing basis, if the commissioner has determined that tuberculosis screening is necessary.

**Subd. 7. [IMPLEMENTATION.]** The administrator or other person having general control and supervision of the school or school district designated by the commissioner under subdivision 2 shall take the measures that are necessary, including the exclusion of persons from the premises of a school, to obtain the proof of screening required by subdivisions 3 and 4.

**Subd. 8. [ACCESS TO RECORDS.]** The commissioner shall have access to any school or school district records, including health records of persons enrolled in or employed by a school or school district, that are needed to determine whether a tuberculosis screening program is necessary, or to administer a screening program.

**Subd. 9. [REPORTS.]** The administrator or other person having general control and supervision of a school or school district that the commissioner has designated under subdivision 2 shall provide the commissioner with any reports determined by the commissioner to be necessary to implement a screening or control program or to evaluate the need for further tuberculosis screening or control efforts in a school.

**Subd. 10. [WAIVER.]** The commissioner may waive any portion of the requirements of subdivisions 3 to 9 if the commissioner determines that it is not necessary in order to protect the public health.

**Sec. 3. [144.442] [TUBERCULOSIS HEALTH THREAT TO OTHERS.]**

A "health threat to others" as defined in section 144.4172, subdivision 8, includes a person who although not currently infectious, has failed to complete a previously prescribed course of tuberculosis therapy, demonstrates an inability or unwillingness to initiate or complete, or shows an intent to fail to complete, a prescribed course of tuberculosis drug therapy, if that failure could lead to future infectiousness.

**Sec. 4. [144.443] [TUBERCULOSIS EMERGENCY HOLD.]**

A temporary emergency hold under section 144.4182 may be placed on a person who is a health threat to others when there is reasonable cause to believe that the person may be unlocatable for the purposes of applying the procedures described in sections 144.4171 to 144.4186, or when medical or

*epidemiologic evidence suggests that the person is or may become infectious before the conclusion of court proceedings and appeals.*

**Sec. 5. [144.444] [TUBERCULOSIS SCREENING IN CORRECTIONAL INSTITUTIONS AND FACILITIES.]**

*Subdivision 1. [SCREENING OF INMATES.] All persons detained or confined for seven consecutive days or more in facilities operated, licensed, or inspected by the department of corrections shall be screened for tuberculosis with either a Mantoux test or a chest roentgenogram (X-ray) as consistent with screening and follow-up practices recommended by the United States Public Health Service or the department of health, as determined by the commissioner of health. Administration of the Mantoux test or chest roentgenogram (X-ray) must take place on or before the seventh day of detention or confinement.*

*Subd. 2. [SCREENING OF EMPLOYEES.] All employees of facilities operated, licensed, or inspected by the department of corrections shall be screened for tuberculosis before employment in the facility and annually thereafter, with either a Mantoux test or a chest roentgenogram (X-ray) as consistent with screening and follow-up practices recommended by the United States Public Health Service or the department of health, as determined by the commissioner of health.*

*Subd. 3. [EXCEPTIONS.] Subdivisions 1 and 2 do not apply to:*

*(1) a person who is detained or confined in a juvenile temporary holdover facility, provided that the person has no symptoms suggestive of tuberculosis, evidence of a new exposure to active tuberculosis, or other health condition that may require a chest roentgenogram (X-ray) be performed to rule out active tuberculosis;*

*(2) a person who is detained or confined in a facility operated, licensed, or inspected by the department of corrections where the facility holds a written record of a negative Mantoux test performed on the person (i) within three months prior to intake into the facility; or (ii) within 12 months prior to intake into the facility if the person has remained under the continuing jurisdiction of a correctional facility since the negative Mantoux test, provided that the person has no symptoms suggestive of tuberculosis, evidence of a new exposure to active tuberculosis, or other health condition that may require a chest roentgenogram (X-ray) be performed to rule out active tuberculosis;*

*(3) a person who is detained or confined in a facility operated, licensed, or inspected by the department of corrections where the facility has a written record of (i) a history of adequately treated active tuberculosis; (ii) compliance with currently prescribed tuberculosis therapy or preventive therapy; or (iii) completion of a course of preventive therapy, provided the person has no symptoms suggestive of tuberculosis, evidence of a new exposure to active tuberculosis, or other health condition that may require a chest roentgenogram (X-ray) to rule out active tuberculosis;*

*(4) a person who is detained or confined in a facility operated, licensed, or inspected by the department of corrections where the facility holds a written record of a negative chest roentgenogram (X-ray) (i) within six months; or (ii) within 12 months prior to intake in the facility if the person has remained under the continuing jurisdiction of a correctional facility since the negative chest roentgenogram (X-ray), provided that the person has no symptoms*

*suggestive of tuberculosis, evidence of a new exposure to active tuberculosis, or other health condition that may require a new chest roentgenogram (X-ray) to rule out active tuberculosis;*

*(5) an employee with a record of either a past positive Mantoux test reaction or active tuberculosis who is currently completing or has a documented history of completing a course of tuberculosis therapy or preventive therapy, provided the employee has no symptoms suggestive of tuberculosis, evidence of a new exposure to active tuberculosis, or other health condition that may require a chest roentgenogram (X-ray) be performed to rule out active tuberculosis;*

*(6) an employee with a positive or significant Mantoux test reaction in preemployment screening who does not complete a course of preventive therapy may be exempt from annual Mantoux testing or other screening. This determination shall be made by the commissioner of health based on currently accepted public health standards and the person's health status; and*

*(7) the commissioner may exempt additional employees or persons detained or confined in facilities operated, licensed, or inspected by the department of corrections based on currently accepted public health standards or the person's health status.*

*Subd. 4. [REPORTS.] The administrator or other person having general control and supervision of a facility operated, licensed, or inspected by the department of corrections shall provide the commissioner with any reports determined by the commissioner of health to be necessary to evaluate the need for further tuberculosis screening or control efforts in a facility or facilities.*

*Subd. 5. [WAIVER.] The commissioner may waive any portion of the requirements of subdivisions 1 to 4 if the commissioner of health determines that it is not necessary to protect the public health or if the screening may have a detrimental effect on a person's health status.*

**Sec. 6. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective the day following final enactment. Section 5 is effective January 1, 1994."*

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 1105: A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 3, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; and 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 157; repealing Minnesota

Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, 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. Minnesota Statutes 1992, section 15.059, subdivision 5, is amended to read:

Subd. 5. [EXPIRATION DATE.] Unless a different date is specified by law, the existence of each advisory council and committee governed by this section shall terminate on June 30, 1993 1994.

Sec. 2. Minnesota Statutes 1992, section 144.73, subdivision 3, is amended to read:

Subd. 3. [HEARINGS.] The camp operator shall be entitled to a hearing before the commissioner on the revocation of the operator's permit. A request for such hearing shall be made by the camp operator in writing. The hearing shall be held at the time and place designated by the commissioner and at least five days written notice of such hearing shall be given to the camp operator. The notice may be served by certified mail. The camp operator shall be entitled to be represented by legal counsel and shall have the right to produce evidence and testimony at such hearing. The commissioner may appoint in writing any competent person to preside at such hearing. Such person shall take testimony, administer oaths, issue subpoenas, compel the attendance of witnesses, and transmit the record of the hearing to the commissioner. The decision of the commissioner shall be based on the evidence and testimony presented at such hearing. *The procedure for hearings or for appeals from the order of the department or the commissioner shall be in accordance with chapter 14.*

Sec. 3. Minnesota Statutes 1992, section 144.871, subdivision 2, is amended to read:

Subd. 2. [ABATEMENT.] “Abatement” means removal of, replacement of, or encapsulation of deteriorated paint, bare soil, dust, drinking water, or other *lead-containing* materials that are or may become readily accessible during the *lead* abatement process and pose an immediate threat of actual lead exposure to people.

Sec. 4. Minnesota Statutes 1992, section 144.871, subdivision 6, is amended to read:

Subd. 6. [ELEVATED BLOOD LEAD LEVEL.] “Elevated blood lead level” in a child ~~no more than six years old~~ *before the sixth birthday* or in a pregnant woman means a blood lead level that exceeds the federal Centers for Disease Control guidelines for preventing lead poisoning in young children, unless the commissioner finds that a lower concentration is necessary to protect public health.

Sec. 5. Minnesota Statutes 1992, section 144.871, subdivision 7a, is amended to read:

Subd. 7a. [HIGH RISK FOR TOXIC LEAD EXPOSURE.] “High risk for toxic lead exposure” means either:

(1) that elevated blood lead levels have been diagnosed in a population of children or pregnant women; or

(2) without blood lead data, that a population of children or pregnant women resides in:

(i) a census tract with many residential structures known to have or suspected of having deteriorated *lead-based* paint; or

(ii) a census tract with a median soil lead concentration greater than 100 parts per million for any sample collected according to Minnesota Rules, part 4761.0400, subpart 8, and rules adopted under section 144.878; or

~~(3) the priorities adopted by the commissioner under section 144.878, subdivision 2, shall apply to this subdivision.~~

Sec. 6. Minnesota Statutes 1992, section 144.871, is amended by adding a subdivision to read:

*Subd. 7c. [PERSON.] "Person" has the meaning given in section 1031.005, subdivision 16.*

Sec. 7. Minnesota Statutes 1992, section 144.871, is amended by adding a subdivision to read:

*Subd. 7d. [LEAD INSPECTOR.] "Lead inspector" means an individual who has successfully completed a training course in investigation of residences for possible sources of lead exposure and who is licensed by the commissioner according to rules adopted under section 144.877, subdivision 6, to perform this activity.*

Sec. 8. Minnesota Statutes 1992, section 144.871, is amended by adding a subdivision to read:

*Subd. 10. [VENOUS BLOOD SAMPLE.] "Venous blood sample" means a quantity of blood drawn from a vein.*

Sec. 9. Minnesota Statutes 1992, section 144.872, subdivision 2, is amended to read:

*Subd. 2. [HOME ASSESSMENTS.] (a) The commissioner shall, within available federal or state appropriations, contract with boards of health, who may determine priority for responding to cases of elevated blood lead levels, to conduct assessments to determine sources of lead contamination in the residences of pregnant women whose blood lead levels are at least ten micrograms per deciliter and of children whose blood lead levels are at least 20 micrograms per deciliter or whose blood lead levels persist in the range of 15 to 19 micrograms per deciliter for 90 days after initial identification to the board of health or the commissioner. Assessments must be conducted within five working days of the board of health receiving notice that the criteria in this subdivision have been met.*

*(b) The commissioner or boards of health must identify the known addresses for the previous 12 months of the child or pregnant woman with elevated blood lead levels and notify the property owners at those addresses. The commissioner may also collect information on the race, sex, and family income of children and pregnant women with elevated blood lead levels.*

*(c) Within the limits of appropriations, a board of health shall conduct home*

assessments for children and pregnant women whose confirmed blood lead levels are in the range of ten to 19 micrograms per deciliter.

(d) The commissioner shall also provide educational materials on all sources of lead to boards of health to provide education on ways of reducing the danger of lead contamination. The commissioner may provide laboratory or field lead testing equipment to a board of health or may reimburse a board of health for direct costs associated with assessments.

Sec. 10. Minnesota Statutes 1992, section 144.873, subdivision 2, is amended to read:

Subd. 2. [TEST OF CHILDREN IN HIGH RISK AREAS.] Within limits of available state and federal appropriations, the commissioner shall promote and subsidize a blood lead test of all children ~~under six years of age before the sixth birthday~~ who live in all areas of high risk for toxic lead exposure that are currently known or subsequently identified. Within the limits of available appropriations, the commissioner shall conduct surveys, especially soil assessments larger than a residence, as defined by the commissioner, in greater Minnesota communities where a case of elevated blood lead levels has been reported.

Sec. 11. Minnesota Statutes 1992, section 144.874, subdivision 1, is amended to read:

Subdivision 1. [RESIDENCE ASSESSMENT.] (a) A board of health must conduct a timely assessment of a residence, within five working days of receiving notification that the criteria in this subdivision have been met, *as confirmed by lead analysis of a venous blood sample*, to determine sources of lead exposure if:

(1) a pregnant woman in the residence is identified as having a blood lead level of at least ten micrograms of lead per deciliter of whole blood;

(2) a child in the residence is identified as having a blood lead level at or above 20 micrograms per deciliter; or

(3) *a child in the residence is identified as having a blood lead level that persists in the range of 15 to 19 micrograms per deciliter for 90 days after initial identification. Assessments must be conducted by a board of health regardless of the availability of state or federal appropriations for assessments.*

(b) Within the limits of available state and federal appropriations, a board of health shall also conduct home assessments for children whose confirmed blood lead levels are in the range of ten to 19 micrograms per deciliter. *A board of health may assess a residence even if none of the three criteria in this subdivision are met.*

(c) If a child regularly spends several hours per day at another residence, such as a residential child care facility, the board of health must also assess the other residence.

(d) *Sections 144.871 to 144.879 neither authorize nor prohibit a board of health from charging a property owner for the cost of assessment.*

(~~b~~) (e) The board of health must conduct the residential assessment according to rules adopted by the commissioner according to section 144.878. *A board of health shall have residential assessments performed by lead*



*inspectors licensed by the commissioner according to rules adopted under section 144.877. A board of health may observe the performance of lead abatement in progress and has authority to enforce the provisions of chapter 144.*

Sec. 12. Minnesota Statutes 1992, section 144.874, subdivision 3, is amended to read:

Subd. 3. [LEAD ABATEMENT ORDERS.] A board of health must order a property owner to perform abatement on a lead source that exceeds a standard adopted according to section 144.878 at the residence of a child with an elevated blood lead level or a pregnant woman with a blood lead level of at least ten micrograms per deciliter. Lead abatement orders must require that any source of damage, such as leaking roofs, plumbing, and windows, must be repaired or replaced, as needed, to prevent damage to lead-containing interior surfaces. *The board of health is not required to pay for lead abatement.* With each lead abatement order, the board of health must provide a residential lead abatement guide.

Sec. 13. Minnesota Statutes 1992, section 144.874, subdivision 4, is amended to read:

Subd. 4. [RELOCATION OF RESIDENTS.] A board of health must ensure that residents are relocated from rooms or dwellings during abatement that generates leaded dust, such as removal or disruption of lead-based paint or plaster that contains lead. *A board of health is not required to pay for relocation unless state or federal funding is available for this purpose.* Residents must be allowed to return to the residence or dwelling after completion of abatement. A board of health shall use grant funds under section 144.872, subdivision 3, in cooperation with local housing agencies, to pay for moving costs for any low-income resident temporarily relocated during lead abatement, not to exceed \$250 per household.

Sec. 14. Minnesota Statutes 1992, section 144.874, subdivision 6, is amended to read:

Subd. 6. [RETESTING REQUIRED.] After completion of the lead abatement as ordered, the board of health must retest the residence to assure the violations no longer exist. *The board of health is not required to test a residence after lead abatement that was not ordered by the board of health.*

Sec. 15. [144.877] [LEAD INSPECTORS.]

Subdivision 1. [LICENSE REQUIRED.] *No person may perform the duties of a lead inspector unless the person is licensed by the commissioner. A lead inspector shall have the inspector's license readily available at all times at an assessment site and make it available, upon request, for inspection by the commissioner or by a member of the staff of a board of health with jurisdiction over the site. A license must be renewed annually and may not be transferred.*

Subd. 2. [LICENSE APPLICATION.] (a) *An application for a license and for renewal of a license must be on a form provided by the commissioner and be accompanied by:*

(1) *the fee set by the commissioner; and*

(2) *evidence that the applicant has successfully completed a lead inspection training course approved by the commissioner or, within the previous 180 days, an initial lead inspection training course.*

(b) *The fee required by this subdivision is waived for an employee of a board of health.*

*Subd. 3. [LICENSE RENEWAL.] A license is valid for one year from the issuance date unless revoked by the commissioner. An applicant must successfully complete either an approved initial lead inspection training course or an approved annual refresher lead inspection training course to apply for license renewal.*

*Subd. 4. [LICENSE REPLACEMENT.] A licensed lead inspector may obtain a replacement license by reapplying for a license. A replacement license expires on the same date as the original license.*

*Subd. 5. [GROUNDS FOR DISCIPLINARY ACTION.] (a) The commissioner may deny an application, revoke a license, or impose limitations or conditions on a license if a licensed lead inspector:*

*(1) violates this section or rules adopted by the commissioner;*

*(2) submits an application that is incomplete or inaccurate or is not accompanied by the required fee, or if the fee is paid by an invalid check;*

*(3) obtains a license, certificate, or approval through error, fraud, or cheating;*

*(4) provides false or fraudulent information on forms submitted to the commissioner;*

*(5) allows an unlicensed or uncertified person to engage, or aids an unlicensed or uncertified person in engaging, in activities for which a license or certificate is required;*

*(6) endangers public health or safety; or*

*(7) has been convicted during the previous five years of a felony or gross misdemeanor under section 270.72, 325F.69, or 325F.71.*

*(b) An application for licensure that has been denied may be resubmitted when the reasons for the denial have been corrected. A person whose license is revoked may not apply for a license within one year of the date of revocation.*

*Subd. 6. [RULES.] The commissioner shall adopt rules to implement this section, including rules setting fees for licenses and license renewals and rules for approving initial lead inspection training courses and annual refresher lead inspection training courses.*

*Sec. 16. Minnesota Statutes 1992, section 144.878, subdivision 2, is amended to read:*

*Subd. 2. [LEAD STANDARDS AND ABATEMENT METHODS.] (a) The commissioner shall adopt rules establishing standards and abatement methods for lead in paint, dust, and drinking water in a manner that protects public health and the environment for all residences, including residences also used for a commercial purpose. The commissioner shall adopt priorities for providing abatement services to areas defined to be at high risk for toxic lead exposure. ~~In adopting priorities, the commission shall consider the number of children and pregnant women diagnosed with elevated blood lead levels and the median concentration of lead in the soil.~~ The commissioner shall give priority to areas having the largest population of children and pregnant women*

having elevated blood lead levels, areas with the highest median soil lead concentration, and areas where it has been determined that there are large numbers of residences that have deteriorating paint. The commissioner shall differentiate between intact paint and deteriorating paint. The commissioner and political subdivisions shall require abatement of intact paint only if the commissioner or political subdivision finds that intact paint is a chewable or lead-dust producing surface that is a known source of actual lead exposure to a specific person. In adopting rules under this subdivision, the commissioner shall require the best available technology for abatement methods, paint stabilization, and repainting.

(b) The commissioner of health shall adopt standards and abatement methods for lead in bare soil on playgrounds and residential property in a manner to protect public health and the environment.

(c) The commissioner of the pollution control agency shall adopt rules to ensure that removal of exterior lead-based coatings from residential property by abrasive blasting methods and disposal of any hazardous waste are conducted in a manner that protects public health and the environment.

(d) All standards adopted under this subdivision must provide adequate margins of safety that are consistent with a detailed review of scientific evidence and an emphasis on overprotection rather than underprotection when the scientific evidence is ambiguous. The rules must apply to any individual performing or ordering the performance of lead abatement.

Sec. 17. Minnesota Statutes 1992, section 144.878, subdivision 5, is amended to read:

Subd. 5. [LEAD ABATEMENT CONTRACTORS AND EMPLOYEES.] The commissioner shall adopt rules to license *lead* abatement contractors, to certify employees of lead abatement contractors who perform abatement, and to certify lead abatement trainers who provide lead abatement training for contractors, employees, or other lead abatement trainers. ~~The rules must include standards and procedures for on-the-job training for swab teams.~~ All lead abatement training must include a hands-on component and instruction on the health effects of lead exposure, the use of personal protective equipment, workplace hazards and safety problems, abatement methods and work practices, decontamination procedures, cleanup and waste disposal procedures, lead monitoring and testing methods, and legal rights and responsibilities. At least 30 days before publishing initial notice of proposed rules under this subdivision on the licensing of lead abatement contractors, the commissioner shall submit the rules to the chairs of the health and human services committees in the house of representatives and the senate, and to any legislative committee on licensing created by the legislature.

Sec. 18. Minnesota Statutes 1992, section 157.01, subdivision 1, is amended to read:

Subdivision 1. [TYPES OF ESTABLISHMENTS.] Every building or structure or enclosure, or any part thereof, kept, used as, maintained as, or advertised as, or held out to the public to be an enclosure where sleeping accommodations are furnished to the public and furnishing accommodations for periods of less than one week shall for the purpose of this chapter be deemed an *a hotel or motel*.

Every building or other structure or enclosure, or any part thereof and all buildings in connection, kept, used or maintained as, or advertised as, or held out to the public to be an enclosure where meals or lunches are served or prepared for service elsewhere shall for the purpose of this chapter be deemed to be a restaurant, and the person in charge thereof, whether as owner, lessee, manager or agent, for the purpose of this chapter shall be deemed the proprietor of the restaurant, and whenever the word "restaurant" occurs in this chapter, it shall be construed to mean a structure as described in this section.

Every building or structure, or any part thereof, kept, used as, maintained as, advertised as, or held out to be a place where sleeping accommodations are furnished to the public as regular roomers, for periods of one week or more, and having five or more beds to let to the public, shall, for the purpose of this chapter, be deemed a lodging house.

Every building or structure or enclosure, or any part thereof, used as, maintained as, or advertised as; or held out to be an enclosure where meals or lunches are furnished to five or more regular boarders, whether with or without sleeping accommodations, for periods of one week or more, shall, for the purpose of this chapter, be deemed a boarding house.

Every building or structure, or any part thereof, used as, maintained as, or advertised as, or held out to be a place where confectionery, ice cream, or drinks of various kinds are made, sold or served at retail, shall, for the purpose of this chapter, be deemed to be a place of refreshment. This chapter shall not be applicable in any manner to a general merchandise store, oil station, cigar stand, confectionery store, or drug store not providing meals, lunches, lodging, or fountain, bar, booth, or table service, or to a grocery store in which meals or lunches are served or which contains a fountain, bar, booth, delicatessen, or table service.

For the purpose of this chapter, a resort means any building, structure, or enclosure, or any part thereof, located on, or on property neighboring, any lake, stream, or skiing or hunting area for purposes of providing convenient access thereto, kept, used, maintained, or advertised as, or held out to the public to be an enclosure where sleeping accommodations are furnished to the public, and primarily to those seeking recreation, for periods of one day, one week, or longer, and having for rent five or more cottages, rooms, or enclosures.

Sec. 19. Minnesota Statutes 1992, section 157.03, is amended to read:

157.03 [LICENSES REQUIRED; FEES.]

Each year every person, firm, or corporation engaged in the business of conducting an hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment, or who shall hereafter engage in conducting any such business, except vending machine operators licensed under the license provisions of sections 28A.01 to 28A.16, must procure a license for each hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment so conducted. For any hotel, motel, resort, campground, or manufactured home park as defined in section 327.15, in which food, fountain, or bar service is furnished, one license, in addition to the hotel, resort, manufactured home park, or campground license, shall be sufficient for all restaurants and places of refreshment conducted on the same premises and under the same management with the hotel, motel, resort, manufactured

home park, or campground. Each license shall expire and be renewed as prescribed by the commissioner pursuant to section 144.122. Any proprietor who operates a place of business after the expiration date without first having made application for a license and without having made payment of the fee thereof shall be deemed to have violated the provisions of this chapter and be subject to prosecution, as provided in this chapter. In addition thereto, a penalty in an amount prescribed by the commissioner pursuant to section 144.122 shall be added to the amount of the license fee and paid by the proprietor, as provided herein, if the application has not reached the office of the state commissioner of health within 30 days following the expiration of license; or, in the case of a new business, 30 days after the opening date of the business. ~~The state commissioner of health shall furnish to~~ Any person, firm, or corporation desiring to conduct an hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment ~~an shall make application blank to be filled out by the person, firm, or corporation, on forms provided by the department~~ for a license therefor, which shall require the applicant to state the full name and address of the owner of the building, structure, or enclosure, the lessee and manager of the hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment, the location of the same, the name under which the business is to be conducted, and any other information as may be required therein by the state commissioner of health to complete the application for license. The application shall be accompanied by a license fee as hereinafter provided.

For hotels, motels, lodging houses, and resorts, the license fee may be graduated according to the number of sleeping rooms and the amount of the fees shall be prescribed by the state commissioner of health pursuant to section 144.122.

For restaurants, places of refreshment, and boarding houses, the license fee may be based on the average number of employees. ~~If the license fee is so computed, the commissioner shall consider each full-time employee as one employee and each part-time employee as that fraction of one employee as the number of months the employee is employed is to the 12 months of the year. The number of employees counted for each establishment shall be based upon the total number of employees employed full time and employed part time when added together to total the hours of full-time employment.~~ Employees shall include all persons, except children of the licensee under the age of 18, at work in any capacity, either voluntary or paid, and whether or not reported under the labor laws of this state.

If the license fee is based upon the average number of employees, every licensee shall, at the time of application, certify as to the number of employees on forms provided by the state commissioner of health and the state commissioner of health shall have access, on demand, to any and all employment records for purposes of substantiating or correcting numbers of declared employees.

License fees for restaurants, places of refreshment, and boarding houses shall be in an amount prescribed by the state commissioner of health pursuant to section 144.122.

No school, as defined in sections 120.05 and 120.101, may be required to pay a license fee.

Sec. 20. Minnesota Statutes 1992, section 157.08, is amended to read:

157.08 [LINENS, OTHER FURNISHINGS; ~~PENALTY PROSECUTION.~~]

All hotels and motels in this state shall hereafter provide each bedroom with at least two clean towels daily for each guest and provide the main public washroom with clean individual towels. Individual towels shall not be less than nine inches wide and 13 inches long after being washed. This shall not prohibit the use of other acceptable hand drying devices.

All hotels, motels, lodging houses and resorts where linen is provided, hereafter shall provide each bed, bunk, cot, or sleeping place for the use of guests with pillowslips and under and top sheets; each sheet shall be not less than 99 inches long nor less than 24 inches wider than the mattress. A sheet shall not be used which measures less than 90 inches in length after being laundered; these sheets and pillowslips to be made of materials acceptable to the state commissioner of health, and all sheets and pillowslips, after being used by one guest, must be laundered in a manner acceptable to the commissioner before they are used by another guest, a clean set being furnished each succeeding guest.

All bedding, including mattresses, quilts, blankets, pillows, sheets, and comforts used in any hotel, motel, resort, or lodging house in this state must be kept clean. No bedding, including mattresses, quilts, blankets, pillows, sheets, or comforts, shall be used which are worn out or unfit for further use.

Effective measures shall be taken to eliminate any vermin infestation in any establishment licensed under this chapter. All rugs and carpets in all sleeping rooms shall be kept in good repair and maintained in a clean condition.

All tables, table linens, chairs, and other furniture, all hangings, draperies, curtains, carpets, and floors in all lodging houses, resorts, hotels, restaurants, boarding houses, or places of refreshment, shall be kept in good repair and in a clean and sanitary condition.

All notices to be served by the hotel inspector provided for in this chapter shall be in writing and shall be either delivered personally, or by registered letter, to the owner, agent, lessee, or manager of the hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment.

Any person, firm, or corporation who shall operate an hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment in this state, or who shall let a building used for such business, without having first complied with the provisions of this chapter and rules of the state commissioner of health, shall be guilty of a misdemeanor.

The county attorney of each county in this state shall, upon complaint on oath of the ~~hotel inspector~~ commissioner, or a duly authorized deputy, prosecute to termination before any court of competent jurisdiction, in the name of the state, a proper action or proceeding against any person or persons violating the provisions of this chapter or rules of the state commissioner of health.

Sec. 21. Minnesota Statutes 1992, section 157.081, subdivision 1, is amended to read:

Subdivision 1. [FINES FOR VIOLATIONS; LIMITS ABATEMENT ORDER.] The commissioner shall *may* impose a civil fine for repeated or egregious violation of rules relating to facilities licensed under this chapter or chapter 327. The fine shall be assessed for each day the licensed facility fails

to comply with the rules. A fine for a specific violation shall not exceed \$50 per day. *The commissioner upon finding that there is a clear and present danger to the public health may seek a court order to abate the condition.*

Sec. 22. [157.082] [ENFORCEMENT; PENALTY.]

*All notices to be served by the commissioner under this chapter shall be in writing and shall be either delivered personally, or by registered letter, to the owner, agent, lessee, or manager of the hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment.*

*Any person, firm, or corporation who operates a hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment in this state, or who lets a building used for those businesses, without having first complied with the provisions of this chapter and rules of the commissioner of health, is guilty of a misdemeanor.*

Sec. 23. Minnesota Statutes 1992, section 157.09, is amended to read:

157.09 [REVOCACTION OF LICENSE.]

It shall be the duty of the commissioner of health to revoke a license, on the commissioner's finding that a place of business is being operated in violation of the provisions of this chapter or rules of the state commissioner of health, so as to constitute a filthy, unclean, and insanitary condition and dangerous to public health; or, if the owner or proprietor persistently refuses or fails to comply with the provisions of this chapter or rules of the commissioner. Upon revocation of a license, the place of business shall be immediately closed to public patronage until such time as the owner or proprietor shall have complied with the provisions of this chapter, as certified to by the issuance of a new license.

~~The third revocation of license in any one year and on any one proprietor shall be made permanent for a period of one year from the date of the last revocation.~~

Sec. 24. Minnesota Statutes 1992, section 157.12, is amended to read:

157.12 [LICENSE POSTED IN OFFICE.]

Every hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment securing a license or license fee receipt under the provisions of this chapter shall keep the same posted in a conspicuous place in the office of such hotel, motel, resort, restaurant, lodging house, boarding house, or place of refreshment.

~~All prosecutions under this chapter shall be conducted by the county attorney of the county in which the offense was committed.~~

Sec. 25. Minnesota Statutes 1992, section 157.14, is amended to read:

157.14 [EXEMPTIONS.]

This chapter shall not be construed to apply to interstate carriers under the supervision of the United States Department of Health, Education and Welfare and Human Services or to any building constructed and primarily used for religious worship, nor to any building owned, operated and used by a college or university in accordance with health regulations promulgated by the college or university. Any person, firm or corporation whose principal mode of business is licensed under sections 28A.04 and 28A.05 is exempt at that

premises from licensure as a place of refreshment or restaurant; provided, that the holding of any license pursuant to sections 28A.04 and 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of the chapter or the rules of the state commissioner of health relating to food and beverage service establishments. This chapter does not apply to family day care homes or group family day care homes governed by sections 245A.01 to 245A.16 and does not apply to nonprofit senior citizen centers for the sale of home-baked goods.

Sec. 26. Minnesota Statutes 1992, section 327.10, is amended to read:

327.10 [LODGING ESTABLISHMENT OPERATOR, DUTIES.]

Every person operating within this state a recreational camping area, ~~camp~~, lodging house, ~~tourist rooms~~, hotel or motel, ~~manufactured home park~~, or resort furnishing sleeping or overnight stopping accommodations for transient guests, shall provide and keep thereat a suitable guest register for the registration of all guests provided with sleeping accommodations or other overnight stopping accommodations thereat; and every such guest shall be registered therein. Upon the arrival of every such guest, the operator of ~~such camp or resort~~ *the establishment* shall require the guest to enter in such register, or enter for the guest therein, in separate columns provided in such register, the name and home address of the guest and every person, if any, with the guest as a member of the party; and if traveling by motor vehicle, the make of such vehicle, registration number, and other identifying letters or characters appearing on the official number plate carried thereon, including the name of the state issuing such official plate. Such registration shall be kept in an accurate and orderly manner and retained for one year so that the same will be always accessible for inspection by the proper authorities.

Sec. 27. Minnesota Statutes 1992, section 327.11, is amended to read:

327.11 [GUEST, REGISTRATION.]

Every person, upon arriving at any lodging house, ~~manufactured home park~~, recreational camping area, ~~camp~~, hotel or motel or other resort described in sections 327.10 to 327.13 and applying for guest accommodations therein of the character described in section 327.10, shall furnish to the operator or other attendant in charge of ~~such camp or resort~~ *the establishment* the registration information necessary to complete the registration in accordance with the requirements of section 327.10, and shall not be provided with accommodations unless and until such information shall be so furnished.

Sec. 28. Minnesota Statutes 1992, section 327.16, subdivision 5, is amended to read:

Subd. 5. [PERMIT.] When the plans and specifications have been approved, the state department of health shall issue an approval report permitting the applicant to construct or make alterations ~~pertaining to water and sewage disposal~~ upon a manufactured home park or recreational camping area and the appurtenances thereto according to the plans and specifications presented.

Such approval does not relieve the applicant from securing building permits in municipalities ~~having a building code~~; *that require permits* or from complying with any other municipal ordinance or ordinances, applicable thereto, not in conflict with this statute.



Sec. 29. Minnesota Statutes 1992, section 327.20, subdivision 1, is amended to read:

Subdivision 1. [RULES.] No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No waste water from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be

developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the department of health.

(8) A manufactured home park with ten or more manufactured homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205.

Sec. 30. Minnesota Statutes 1992, section 327.26, subdivision 1, is amended to read:

Subdivision 1. [LOCAL LICENSES PROHIBITED.] No municipality may impose any license (1) upon any licensed manufactured home park or recreational camping area ~~complying with the provisions of sections 327.10, 327.11, 327.14 to 327.28,~~ or (2) upon any occupant of a licensed manufactured home park.

Sec. 31. [ADDITIONAL STANDARDS FOR LICENSURE.]

*Until the commissioner of health has adopted the rules required by section 15, subdivision 6, the licensure of lead inspectors is governed by this section as follows:*

*(1) a lead inspector must obtain a license within 180 days of the effective date of section 15;*

*(2) the fee for issuance or renewal of a lead inspector license is \$50, is nonrefundable, and must be submitted in the form of a check;*

*(3) the fee for replacement of a license is \$25, is nonrefundable, and must be submitted in the form of a check;*

*(4) an applicant who submits an approvable application within 60 days of the initial denial of an application is not required to pay a second fee; and*

*(5) a lead inspection course sponsored by the United States Environmental Protection Agency is an approved course for the purposes of section 15, subdivision 2.*

Sec. 32. [REPEALER.]

*Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3, are repealed.*

*Section 31 is repealed effective upon the adoption by the commissioner of health of the rules required by section 15, subdivision 6.*

Sec. 33. [EFFECTIVE DATE.]

*Sections 15 and 32 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to health; extending the expiration date of certain advisory councils and committees; modifying provisions relating to lead abatement; changing regulation provisions for hotels, resorts, restaurants, and manufactured homes; providing penalties; amending Minnesota Statutes 1992, sections 15.059, subdivision 5; 144.73, subdivision 3; 144.871, subdivisions 2, 6, 7a, and by adding subdivisions; 144.872, subdivision 2; 144.873, subdivision 2; 144.874, subdivisions 1, 3, 4, and 6; 144.878, subdivisions 2 and 5; 157.01, subdivision 1; 157.03; 157.08; 157.081, subdivision 1; 157.09; 157.12; 157.14; 327.10; 327.11; 327.16, subdivision 5; 327.20, subdivision 1; 327.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; and 157; repealing Minnesota Statutes 1992, sections 144.8721; 144.874, subdivision 10; 144.878, subdivision 2a; and 157.05, subdivisions 2 and 3."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1527: A bill for an act relating to the city of Mankato; extending the duration of a tax increment financing district.

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 and Consumer Protection, to which was referred

S.F. No. 1597: A bill for an act relating to commerce; regulating collection agencies; modifying prohibited practices; requiring notification to the commissioner upon certain employee terminations; repealing inconsistent surety bond and term and fee rules; regulating credit services organizations; modifying registration and bond requirements; modifying enforcement powers; amending Minnesota Statutes 1992, sections 332.37; 332.54, subdivision 1, and by adding subdivisions; 332.55; and 332.59; proposing coding for new law in Minnesota Statutes, chapter 332; repealing Minnesota Rules, parts 2870.1300; and 2870.1600.

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 1992, section 332.37, is amended to read:  
332.37 [PROHIBITED PRACTICES.]

No collection agency or collectors shall:

(1) in collection letters or publications, or in any communication, oral or written threaten wage garnishment or legal suit by a particular lawyer, unless it has actually retained the lawyer;

(2) use or employ constables, sheriffs or any other officer authorized to serve legal papers in connection with the collection of a claim, except when performing their legally authorized duties;

(3) use or threaten to use methods of collection which violate Minnesota law;

(4) furnish legal advice or otherwise engage in the practice of law or represent that it is competent to do so;

(5) communicate with debtors in a misleading or deceptive manner by using the stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare, or instruments which simulate the form and appearance of judicial process;

(6) exercise authority on behalf of a creditor to employ the services of lawyers unless the creditor has specifically authorized the agency in writing to do so and the agency's course of conduct is at all times consistent with a true relationship of attorney and client between the lawyer and the creditor;

(7) publish or cause to be published any list of debtors except for credit reporting purposes, use shame cards or shame automobiles, advertise or threaten to advertise for sale any claim as a means of forcing payment thereof, or use similar devices or methods of intimidation;

(8) refuse to return any claim or claims and all valuable papers deposited with a claim or claims upon written request of the creditor, claimant or forwarder after tender of the amounts due and owing to the agency within 30 days after the request; refuse or intentionally fail to account to its clients for all money collected within 30 days from the last day of the month in which the same is collected; or, refuse or fail to furnish at intervals of not less than 90 days upon written request of the claimant or forwarder, a written report upon claims received from the claimant or forwarder;

(9) operate under a name or in a manner which implies that the agency is a branch of or associated with any department of federal, state, county or local government or an agency thereof;

(10) commingle money collected for a customer with the agency's operating funds or use any part of a customer's money in the conduct of the agency's business;

(11) transact business or hold itself out as a debt prorater, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates or pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or liquidation is done pursuant to court order or under the supervision of a creditor's committee;

(12) violate any of the provisions of the Fair Debt Collection Practices Act of 1977 while attempting to collect on any account, bill or other indebtedness;

(13) communicate with a debtor by use of a recorded message utilizing an automatic dialing announcing device unless the recorded message is immediately preceded by a live operator who discloses prior to the message the name of the collection agency and the fact the message intends to solicit

payment and the operator obtains the consent of the debtor to hearing the message; or

(14) in collection letters or publications, or in any communication, oral or written, imply or suggest that health care services will be withheld in an emergency situation;

(15) when a debtor has a listed telephone number, enlist the aid of a neighbor or third party to request that the debtor contact the licensee, except a person who resides with the debtor or a third party with whom the debtor has authorized the licensee to place the request. This clause does not apply to a call back message left at the debtor's place of employment which is limited to the licensee's telephone and the collector's name;

(16) when attempting to collect a debt, fail to provide the debtor with the full name of the collection agency as it appears on its license;

(17) collect any money from a debtor that is not reported to a creditor or fail to return any amount of overpayment from a debtor to the debtor or to the state of Minnesota pursuant to the requirements of chapter 345;

(18) accept currency or coin as payment for a debt without issuing an original receipt to the debtor and maintain a duplicate receipt in the debtor's payment records; or

(19) when initially contacting a Minnesota debtor by mail, fail to include a disclosure on the contact notice, in a type size or font which is equal to or larger than the largest other type of type size or font used in the text of the notice. The disclosure must state: "This collection agency is licensed by the Minnesota Department of Commerce."

Sec. 2. [332.385] [NOTIFICATION TO COMMISSIONER.]

The collection agency licensee shall notify the commissioner of any employee termination within ten days of the termination if it is in whole or in part based on a violation of this chapter.

Sec. 3. Minnesota Statutes 1992, section 332.54, subdivision 1, is amended to read:

Subdivision 1. [FILING.] It is unlawful for any credit services organization to offer, advertise, or execute or cause to be executed by a consumer any contract in this state unless the credit services organization at the time of the offer, advertisement, sale, or execution of a contract has been properly registered with the commissioner. ~~The commissioner may charge the credit services organization a reasonable fee not exceeding \$100 to cover the costs of filing.~~

Sec. 4. Minnesota Statutes 1992, section 332.54, is amended by adding a subdivision to read:

Subd. 6. [TERM.] Registration issued or renewed by the commissioner of commerce under sections 332.52 to 332.60 expires on June 30 of each year.

Sec. 5. Minnesota Statutes 1992, section 332.54, is amended by adding a subdivision to read:

Subd. 7. [FEES.] The fee for a credit services organization's registration is \$100 for issuance or renewal for each location of business.

Sec. 6. Minnesota Statutes 1992, section 332.55, is amended to read:

332.55 [BOND.]

A credit services organization must submit to the commissioner at the time of registration, a *an annual* surety bond of \$10,000 ~~and in which, expiring on June 30 of each year, by an insurance company;~~ which is authorized by the state of Minnesota to transact the business of fidelity and surety insurance, ~~is a surety.~~ The credit services organization must be the obligor. The bond must benefit the state of Minnesota and any person who may have a cause of action against the obligor arising out of the obligor's activities as a credit services organization. The commissioner may accept a deposit in cash, or securities that may be legally purchased by savings banks or for trust funds of an aggregate market value equal to the bond requirement, in lieu of the surety bond. The cash or securities must be deposited with the state treasurer.

Sec. 7. Minnesota Statutes 1992, section 332.59, is amended to read:

332.59 [VIOLATIONS.]

Any person who violates sections 332.52 to 332.58 is guilty of a misdemeanor. ~~The commissioner of commerce may bring a civil action or proceeding against a person who violates any provision of sections 332.52 to 332.58. A violation of sections 332.52 to 332.58 is a violation of section 325F.69, subdivision 1, and the provisions of section 8.31 apply. Sections 332.52 to 332.58 do not limit or restrict the right of any person to pursue any appropriate remedy for a violation of sections 332.52 to 332.58. The provisions of section 45.027 apply to the enforcement of sections 332.52 to 332.58.~~

Sec. 8. [RULES REPEALER.]

*Minnesota Rules, parts 2870.1300; and 2870.1600, are repealed."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Commerce and Consumer Protection, to which was referred

H.F. No. 1063: A bill for an act relating to commerce; currency exchanges; changing the date for submission of license renewal applications; amending Minnesota Statutes 1992, section 53A.03.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 31, insert:

"Sec. 2. Minnesota Statutes 1992, section 359.01, is amended to read:

359.01 [COMMISSION.]

Subdivision 1. [RESIDENT NOTARIES.] ~~The governor commissioner of commerce may appoint and commission as notaries public, by and with the advice and consent of the senate,~~ as many citizens of this state or resident aliens, over the age of 18 years, ~~resident in the county for which appointed,~~ as the ~~governor~~ *commissioner* ~~considers~~ necessary.

Subd. 2. [NONRESIDENT NOTARIES.] Notwithstanding the provisions of subdivision 1, the ~~governor~~ commissioner may appoint as notary public, ~~by and with the advice and consent of the senate,~~ a person who is not a resident of this state and who is not a resident of the county for which appointment is sought if:

(1) the person is a resident of Wisconsin, Iowa, North Dakota, or South Dakota, and of a county that shares a boundary with this state;

(2) the person designates the court administrator of the district court of a county of this state that shares a boundary with the county of residence as agent for the service of process for all purposes relating to notarial acts and for receipt of all correspondence relating to notarial acts.

Subd. 3. [FEES.] ~~The fee for each commission shall not exceed \$40.~~ (a) *When making application for a commission the applicant must submit, along with the information required by the commissioner, a nonrefundable fee of \$40.*

*(b) All fees shall be retained by the commissioner and are nonreturnable, except that an overpayment of a fee is the subject of a refund upon proper application.*

Sec. 3. Minnesota Statutes 1992, section 359.02, is amended to read:

359.02 [TERM, BOND, OATH, REAPPOINTMENT]

A notary commissioned under section 359.01 holds office for six years, unless sooner removed by the ~~governor or the district court~~ commissioner. ~~Before entering upon the duties of office, a newly commissioned notary shall file the notary's oath of office with the secretary of state.~~ Within 30 days before the expiration of the commission a notary may be reappointed for a new term to commence and to be designated in the new commission as beginning upon the day immediately following the date of the expiration. The reappointment takes effect and is valid although the appointing ~~governor~~ commissioner may not be in the office of ~~governor~~ commissioner on the effective day.

*(a) All notary commissions issued before January 31, 1995, will expire on January 31, 1995.*

*(b) All notary commissions issued after January 31, 1995, will expire at the end of the licensing period, which will end every fifth year following January 31, 1995.*

*(c) All notary commissions issued during a licensing period expire at the end of that period as set forth in this section.*

Sec. 4. Minnesota Statutes 1992, section 359.03, subdivision 1, is amended to read:

Subdivision 1. Every notary shall get an official seal, with which to authenticate official acts, and upon which shall be engraved the arms of this state, the words "notarial seal," ~~and the name of the county for which appointed.~~ ~~Such~~ The seal, with the notary's official register, ~~shall be~~ is exempt from execution, and, on death or removal from office, ~~such the~~ register shall ~~must~~ be deposited with the court administrator of the district court of the notary's county.

Sec. 5. Minnesota Statutes 1992, section 359.03, subdivision 3, is amended to read:

Subd. 3. The seal of every notary public after January 1, 1972, may be affixed by a stamp that will print a seal which legibly reproduces under photographic methods the seal of the state of Minnesota, the name of the notary, the words "Notary Public," the name of the county for which appointed, and the words "My commission expires ....." with the expiration date shown thereon. The seal shall be a rectangular form of not more than three-fourths of an inch vertically by 2-1/2 inches horizontally, with a serrated or milled edge border, and shall contain the information required by this subdivision.

Sec. 6. Minnesota Statutes 1992, section 359.04, is amended to read:

359.04 [POWERS.]

Every ~~such~~ notary public so appointed, commissioned, and qualified shall have power throughout ~~the~~ this state, to administer all oaths required or authorized by law, to be administered in this state; to take and certify all depositions, to be used in any of the courts of this state; to take and certify all acknowledgments of deeds, mortgages, liens, powers of attorney, and other instruments, in writing; and to receive, make out, and record notarial protests.

Sec. 7. Minnesota Statutes 1992, section 359.05, is amended to read:

359.05 [DATE OF EXPIRATION OF COMMISSION AND NAME TO BE ENDORSED.]

~~Each notary public so appointed, commissioned, and qualified, shall have power throughout this state to administer all oaths required or authorized to be administered in this state; to take and certify all depositions to be used in any of the courts of this state; to take and certify all acknowledgments of deeds, mortgages, liens, powers of attorney, and other instruments in writing, and to receive, make out, and record notarial protests.~~

Every notary public, except in cases provided in section 359.03, subdivision 3, taking an acknowledgment of an instrument, taking a deposition, administering an oath, or making a notarial protest, shall, immediately following the notary's signature to the jurat or certificate of acknowledgment, endorse the date of the expiration of the commission; such endorsement may be legibly written, stamped, or printed upon the instrument, but must be disconnected from the seal, and shall be substantially in the following form: "My commission expires ....., 19....." Except in cases provided in section 359.03, subdivision 3, every notary public, in addition to signing the jurat or certificate of acknowledgment, shall, immediately following the signature and immediately preceding the official description, endorse thereon the notary's name with a typewriter or print the same legibly with a stamp or with pen and ink; provided that the failure so to endorse or print the name shall not invalidate any jurat or certificate of acknowledgment.

Sec. 8. Minnesota Statutes 1992, section 359.071, is amended to read:

359.071 [CHANGE OF RESIDENCE ADDRESS.]

A notary public who, during a term of office, establishes residency in a county of this state other than the county for which appointed, may file with the secretary of state an affidavit identifying the county of current residency, the county of appointment as notary public, and the date of change of



residency. If the affidavit is properly filed, the notary continues to have the same powers during the unexpired term of appointment as if there were no change of residence. The notary public may use the official seal for the remainder of the term. A notary shall notify the commissioner of any address change within 30 days of the change.

Sec. 9. Minnesota Statutes 1992, section 359.12, is amended to read:

**359.12 [REMOVAL FROM OFFICE ADMINISTRATIVE ACTIONS AND PENALTIES.]**

Every notary who shall charge or receive a fee or reward for any act or service done or rendered under this chapter as a notary greater than the amount allowed by law, or who dishonestly or unfaithfully discharges duties as notary, shall, on complaint filed and substantiated as in other civil cases in the district court of the county of residence, be removed from office by such court. The fact of such removal shall thereupon be certified by the court administrator to the governor, and the person so removed shall thereafter be ineligible to such office or who has plead guilty, with or without explicitly admitting guilt, plead nolo contendere, or been convicted of a felony, gross misdemeanor, or misdemeanor involving moral turpitude, is subject to the penalties imposed pursuant to section 45.027. The commissioner has all the powers provided by section 45.027 and shall proceed in the manner provided by that section in actions against notaries.

**Sec. 10. [CREDIT FOR FEE.]**

*For notary commissions issued prior to January 1, 1994, the commissioner shall provide a pro rata credit of \$8 per year for the unexpired portion of the notary commissions that would have expired more than one year following January 1, 1995. The credit may only be applied toward the fees incurred for renewing a notary commission after December 31, 1994. Notary commissions issued after the effective date of this act shall expire on January 31, 2000.*

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "relating to notaries public; making various technical changes; providing for the appointment and powers of notaries; prescribing penalties;"

Page 1, line 4, delete "section" and insert "sections" and after "53A.03" insert "; 359.01; 359.02; 359.03, subdivisions 1 and 3; 359.04; 359.05; 359.071; and 359.12"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1313: A bill for an act relating to employment; independent contractors; requiring contractors to treat certain independent contractors as employees; 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. [176.0411] [INDEPENDENT CONTRACTOR COVERAGE.]

*The exclusion for independent contractors provided by section 176.041 does not apply to independent contractors who are in the construction business.*

Sec. 2. Minnesota Statutes 1992, section 182.651, is amended by adding a subdivision to read:

*Subd. 9a. “Employee” also includes independent contractors who are in the construction business.*

Sec. 3. [STUDY; INDEPENDENT CONTRACTORS.]

*Subdivision 1. [UNEMPLOYMENT COMPENSATION.] The department of jobs and training shall study the issue of independent contractors and their compliance with unemployment compensation contribution requirements. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over unemployment compensation matters by February 1, 1994.*

*Subd. 2. [INCOME TAX WITHHOLDING.] The department of revenue shall study the issue of independent contractors and their compliance with income tax withholding laws. The department shall report the results of the study along with recommendations for legislation to the policy committees of the legislature having jurisdiction over taxation matters.*

Sec. 4. [EFFECTIVE DATE.]

*This act is effective June 1, 1993, and applies to contracts entered into on and after that date.”*

Delete the title and insert:

“A bill for an act relating to employment; requiring workers’ compensation and Occupational Safety and Health Act coverage for certain independent contractors; requiring certain reports on independent contractors; amending Minnesota Statutes 1992, section 182.651, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176.”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1413: A bill for an act relating to workers’ compensation; modifying provisions relating to charges by certain nursing homes; amending Minnesota Statutes 1992, section 176.136, subdivision 1b.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete line 2 and insert:

“(c) *The limitation of liability for charges provided by paragraph (b) does not apply to*”

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 961: A bill for an act relating to the department of jobs and training; changing its name to the department of economic security.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, before the period, insert "*of jobs and training*"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

H.F. No. 522: A bill for an act relating to utilities; clarifying the specificity needed for public service corporation easements; amending Minnesota Statutes 1992, section 300.045.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 8, after "*upon*" insert "*written*"

Page 2, line 9, after "*request*" insert "*by the specific property owner*"

Page 2, after line 11, insert:

*"This section does not require a public service corporation to physically locate, establish, and monument by means of a land survey prepared by a registered land surveyor the corners of the specific property involved."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

## SECOND READING OF SENATE BILLS

S.F. Nos. 1105, 1597, 1313, 1413 and 961 were read the second time.

## SECOND READING OF HOUSE BILLS

H.F. Nos. 1063 and 522 were read the second time.

## MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Ms. Krentz be added as a co-author to S.F. No. 153. The motion prevailed.

Mr. Kroening moved that the names of Messrs. Novak, Metzen and Frederickson be added as co-authors to S.F. No. 1613. The motion prevailed.

## CALENDAR

S.F. No. 334: A bill for an act relating to traffic regulations; authorizing issuance of a citation to a driver and penalizing vehicle owner or lessee for failure to yield right-of-way to emergency vehicle; amending Minnesota Statutes 1992, section 169.20, 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dille	Krentz	Mondale	Ruinbeck
Beckman	Finn	Kroening	Morse	Sams
Belanger	Flynn	Laidig	Murphy	Samuelson
Benson, D.D.	Frederickson	Langseth	Neuville	Solon
Benson, J.E.	Hanson	Larson	Oliver	Spear
Berg	Hottinger	Lesewski	Olson	Stumpf
Berglin	Johnson, D.E.	Luther	Pappas	Terwilliger
Bertram	Johnson, D.J.	Marty	Pariseau	Vickerman
Betzold	Johnson, J.B.	McGowan	Piper	
Chandler	Johnston	Merriam	Price	
Chmielewski	Kiscaden	Metzen	Ranum	
Day	Knutson	Moe, R.D.	Robertson	

So the bill passed and its title was agreed to.

H.F. No. 654: A bill for an act relating to commerce; regulating corporate registrations and administrative dissolutions; regulating limited partnership registrations; regulating trademarks; regulating various lien filings; making various housekeeping changes relating to the powers and duties of the secretary of state; regulating legal newspapers; amending Minnesota Statutes 1992, sections 302A.821, subdivision 6; 303.13, subdivisions 1 and 2; 317A.823, subdivision 1; 317A.827, subdivision 3; 322A.70; 331A.07; 333.20, subdivision 3; 336.9-403; 514.27; 514.661, subdivision 4; 514.945, subdivision 1; 514.956, subdivision 3; and 514.960, 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	Day	Krentz	Mondale	Robertson
Anderson	Dille	Kroening	Morse	Ruinbeck
Beckman	Finn	Laidig	Murphy	Sams
Belanger	Flynn	Langseth	Neuville	Samuelson
Benson, D.D.	Frederickson	Larson	Oliver	Solon
Benson, J.E.	Hanson	Lesewski	Olson	Spear
Berg	Hottinger	Luther	Pappas	Stumpf
Berglin	Johnson, D.E.	Marty	Pariseau	Terwilliger
Bertram	Johnson, D.J.	McGowan	Piper	Vickerman
Betzold	Johnson, J.B.	Merriam	Price	
Chandler	Johnston	Metzen	Ranum	
Chmielewski	Knutson	Moe, R.D.	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 441: A bill for an act relating to employment; requiring employers to indemnify employees for liability arising out of the scope of employment; proposing coding for new law in Minnesota Statutes, chapter 181:

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	Day	Knutson	Moe, R.D.	Reichgott
Anderson	Dille	Krentz	Mondale	Robertson
Beckman	Finn	Kroening	Morse	Runbeck
Belanger	Flynn	Laidig	Murphy	Sams
Benson, D.D.	Frederickson	Langseth	Neuville	Samuelson
Benson, J.E.	Hanson	Larson	Oliver	Solon
Berg	Hottinger	Lesewski	Olson	Spear
Berglin	Johnson, D.E.	Luther	Pappas	Stumpf
Bertram	Johnson, D.J.	Marty	Pariseau	Terwilliger
Betzold	Johnson, J.B.	McGowan	Piper	Vickerman
Chandler	Johnston	Merriam	Price	Wiener
Chmielewski	Kiscaden	Metzen	Ranum	

So the bill passed and its title was agreed to.

S.F. No. 183: A bill for an act relating to data practices; comprehensive law enforcement data; classifying booking photographs; amending Minnesota Statutes 1992, section 13.82, subdivisions 5 and 8, 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 56 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Sams
Anderson	Finn	Kroening	Murphy	Samuelson
Beckman	Flynn	Laidig	Neuville	Solon
Belanger	Frederickson	Langseth	Oliver	Spear
Benson, D.D.	Hanson	Larson	Olson	Stumpf
Benson, J.E.	Hottinger	Lesewski	Pariseau	Terwilliger
Berg	Johnson, D.E.	Marty	Piper	Vickerman
Berglin	Johnson, D.J.	McGowan	Price	Wiener
Bertram	Johnson, J.B.	Merriam	Ranum	
Chandler	Johnston	Metzen	Reichgott	
Chmielewski	Kiscaden	Moe, R.D.	Robertson	
Day	Knutson	Mondale	Runbeck	

Mr. Betzold and Ms. Pappas voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 764: A bill for an act relating to criminal procedure; authorizing the presence of a supportive person during certain criminal proceedings in which a minor is testifying as a prosecuting witness; amending Minnesota Statutes 1992, section 631.046, 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	Day	Knutson	Mondale	Robertson
Anderson	Dille	Krentz	Morse	Runbeck
Beckman	Finn	Kroening	Murphy	Sams
Belanger	Flynn	Laidig	Neuville	Samuelson
Benson, D.D.	Frederickson	Langseth	Oliver	Solon
Benson, J.E.	Hanson	Larson	Olson	Spear
Berg	Hottinger	Lesewski	Pappas	Stumpf
Berglin	Johnson, D.E.	Luther	Pariseau	Terwilliger
Bertram	Johnson, D.J.	Marty	Piper	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 577: A bill for an act relating to controlled substances; prescribing penalties for failure to comply with the precursor chemical tracking system; requiring reporting of missing substances and purchases made out of state; clarifying reporting requirements; amending Minnesota Statutes 1992, sections 152.0971, subdivision 3, and by adding subdivisions; 152.0972, subdivision 1; and 152.0973, subdivisions 2, 3, 4, and 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dille	Krentz	Morse	Runbeck
Anderson	Finn	Kroening	Murphy	Sams
Beckman	Flynn	Laidig	Neuville	Samuelson
Belanger	Frederickson	Langseth	Oliver	Solon
Benson, D.D.	Hanson	Larson	Olson	Spear
Benson, J.E.	Hottinger	Lesewski	Pappas	Stumpf
Berg	Johnson, D.E.	Luther	Pariseau	Terwilliger
Berglin	Johnson, D.J.	Marty	Piper	Vickerman
Bertram	Johnson, J.B.	McGowan	Price	Wiener
Betzold	Johnston	Merriam	Ranum	
Chandler	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	
Day	Knutson	Mondale	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 96: A bill for an act relating to the environment; wastewater treatment; clarifying rulemaking provisions for pollution control agency adoption of wastewater treatment standards; changing the composition of the technical advisory committee; changing the definition of individual on-site treatment system; amending Minnesota Statutes 1992, sections 115.44, subdivisions 4, 6, and 7; 115.54; and 116.18, subdivision 3c.

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	Day	Knutson	Mondale	Robertson
Anderson	Dille	Krentz	Morse	Runbeck
Beckman	Finn	Kroening	Murphy	Sams
Belanger	Flynn	Laidig	Neuville	Samuelson
Benson, D.D.	Frederickson	Langseth	Oliver	Solon
Benson, J.E.	Hanson	Larson	Olson	Spear
Berg	Hottinger	Lesewski	Pappas	Stumpf
Berglin	Johnson, D.E.	Luther	Pariseau	Terwilliger
Bertram	Johnson, D.J.	Marty	Piper	Wiener
Betzold	Johnson, J.B.	McGowan	Price	
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Riveness	

So the bill passed and its title was agreed to.

S.F. No. 688: A bill for an act relating to state government; changing the name of the council on affairs of Spanish-speaking people to the council on affairs of Mexicano/Chicano and Latino people; making related changes in definitions and duties; amending Minnesota Statutes 1992, section 3.9223, subdivisions 1, 2, 3, 5, 7, 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knutson	Morse	Runbeck
Anderson	Dille	Krentz	Murphy	Sams
Beckman	Finn	Kroening	Neuville	Samuelson
Belanger	Flynn	Laidig	Oliver	Solon
Benson, D.D.	Frederickson	Langseth	Olson	Spear
Benson, J.E.	Hanson	Larson	Pappas	Stumpf
Berg	Hottinger	Lesewski	Pariseau	Terwilliger
Berglin	Johnson, D.E.	Luther	Piper	Vickerman
Bertram	Johnson, D.J.	Marty	Price	Wiener
Betzold	Johnson, J.B.	McGowan	Ranum	
Chandler	Johnston	Merriam	Reichgott	
Chmielewski	Kelly	Metzen	Riveness	
Cohen	Kiscaden	Mondale	Robertson	

So the bill passed and its title was agreed to.

S.F. No. 1148: A bill for an act relating to traffic regulations; increasing fees for overweight trucks; authorizing permit to be issued for trailer or semitrailer exceeding 28-1/2 feet in three-vehicle combination; amending Minnesota Statutes 1992, sections 169.81, subdivision 2; and 169.86, 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 59 and nays 3, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Kiscaden	Metzen	Ranum
Anderson	Day	Knutson	Moe, R.D.	Reichgott
Beckman	Dille	Krentz	Mondale	Rivness
Belanger	Flynn	Kroening	Morse	Robertson
Benson, D.D.	Frederickson	Laidig	Murphy	Runbeck
Benson, J.E.	Hanson	Langseth	Neuville	Solon
Berg	Hottinger	Larson	Oliver	Spear
Berglin	Johnson, D.E.	Lesewski	Olson	Stumpf
Bertram	Johnson, D.J.	Luther	Pappas	Terwilliger
Betzold	Johnson, J.B.	Marty	Pariseau	Vickerman
Chandler	Johnston	McGowan	Piper	Wiener
Chmielewski	Kelly	Merriam	Price	

Messrs. Finn, Sams and Samuelson voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 295: A bill for an act relating to utilities; authorizing utilities to make automatic annual rate adjustments for costs of conservation improvements; amending Minnesota Statutes 1992, section 216B.16, subdivision 6b.

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	Day	Knutson	Mondale	Robertson
Anderson	Dille	Krentz	Morse	Runbeck
Beckman	Finn	Kroening	Murphy	Sams
Belanger	Flynn	Laidig	Neuville	Samuelson
Benson, D.D.	Frederickson	Langseth	Oliver	Solon
Benson, J.E.	Hanson	Larson	Olson	Spear
Berg	Hottinger	Lesewski	Pappas	Stumpf
Berglin	Johnson, D.E.	Luther	Pariseau	Terwilliger
Bertram	Johnson, D.J.	Marty	Piper	Vickerman
Betzold	Johnson, J.B.	McGowan	Price	Wiener
Chandler	Johnston	Merriam	Ranum	
Chmielewski	Kelly	Metzen	Reichgott	
Cohen	Kiscaden	Moe, R.D.	Rivness	

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

H.F. No. 226: A bill for an act relating to health; clarifying the meaning of comprehensive health maintenance services; amending Minnesota Statutes 1992, section 62D.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 61 and nays 0, as follows:



Those who voted in the affirmative were:

Adkins	Day	Knutson	Mondalé	Runbeck
Anderson	Dille	Krentz	Morse	Sams
Beckman	Finn	Kroening	Murphy	Samuelson
Belanger	Flynn	Laidig	Neuville	Solon
Benson, D.D.	Frederickson	Langseth	Oliver	Spear
Benson, J.E.	Hanson	Larson	Olson	Stumpf
Berg	Hottinger	Lesewski	Pappas	Terwilliger
Berglin	Johnson, D.E.	Luther	Pariseau	Vickerman
Bertram	Johnson, D.J.	Marty	Price	Wiener
Betzold	Johnson, J.B.	McGowan	Ranum	
Chandler	Johnston	Merriam	Reichgott	
Chmielewski	Kelly	Metzen	Riveness	
Cohen	Kiscaden	Moe, R.D.	Robertson	

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1407 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 1407: A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; creating an instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; authorizing the state board of community colleges to use higher education facilities authority revenue bonds to construct student residences; creating three accounts in the permanent university fund and making allocations from the accounts; providing tuition exemptions at technical colleges for Southwest Asia veterans; prescribing changes in eligibility and in duties and responsibilities for certain financial assistance programs; establishing grant programs to promote recruitment and retention initiatives by nurses training and teacher education programs directed toward persons of color; establishing grant programs for nursing students and students in teacher education programs who are persons of color; establishing an education to employment transitions system; amending Minnesota Statutes 1992, sections 136A.101, subdivisions 1 and 7; 136A.121, subdivision 9; 136A.1353, subdivision 4; 136A.1354, subdivision 4; 136A.15, subdivision 6; 136A.1701, subdivision 4; 136A.233, subdivisions 2 and 3; 136C.13, subdivision 4; 136C.61, subdivision 7; and 137.022, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 136A; and 137; proposing coding for new law as Minnesota Statutes, chapter 126B; repealing Minnesota Statutes 1992, sections 136A.121, subdivision 17; and 136A.134.

Mr. Merriam moved to amend S.F. No. 1407 as follows:

Page 19, delete lines 35 and 36 and insert "accruing after July 1, 1992, to

*the permanent university fund from royalties for mining under state mineral leases from and after July 1"*

Page 20, line 1, delete "entered into after December 31"

Page 20, line 20, before the period, insert "and to the environment and natural resources committees on the use of the mineral research account"

Page 20, line 30, delete "January" and insert "July"

The motion prevailed. So the amendment was adopted.

Mr. Larson moved to amend S.F. No. 1407 as follows:

Page 39, after line 2, insert:

#### "ARTICLE 10

### REMOVAL OF THE TECHNICAL COLLEGES FROM THE HIGHER EDUCATION MERGER

Section 1. Minnesota Statutes 1992, section 136E.03, is amended to read:

#### 136E.03 [MISSION.]

The mission of the board is to provide programs of study that meet the needs of students for occupational, general, baccalaureate, and graduate education. The board shall develop administrative arrangements that make possible the efficient use of the facilities and staff of the former ~~technical colleges,~~ community colleges, and state universities for providing these several different programs of study, so that students may have the benefit of improved and broader course offerings, ease of transfer among schools and programs, integrated course credit, coordinated degree programs, and coordinated financial aid. In carrying out the merger of the ~~three~~ *two* separate systems, the board shall control administrative costs by eliminating duplicative administrative positions and course offerings.

Sec. 2. Minnesota Statutes 1992, section 136E.04, subdivision 1, is amended to read:

Subdivision 1. [GENERAL AUTHORITY.] The board shall manage, supervise, and control the former ~~technical colleges,~~ community colleges, and state universities and all related property. It shall prescribe courses of study and conditions of admission, prepare and confer diplomas, and adopt suitable policies for the institutions it manages. Sections 14.01 to 14.47 do not apply to policies and procedures of the board.

Sec. 3. Minnesota Statutes 1992, section 136E.04, subdivision 4, is amended to read:

Subd. 4. [OCCUPATIONAL AND VOCATIONAL PROGRAM INFORMATION.] In its biennial budget request, the board shall provide to the governor and legislature information on its occupational and vocational programs specifying revenues, expenditures, trends for expenditures, expenditures for instructional equipment, and other relevant information related to those programs. The board shall provide the governor and legislature in its biennial budget request information on the accountability measures it uses to determine the efficiency and effectiveness of the occupational and vocational programs.

Sec. 4. Minnesota Statutes 1992, section 179A.10, subdivision 2, is amended to read:

Subd. 2. [STATE EMPLOYEES.] Unclassified employees, 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 ~~43 12~~ and ~~47 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) ~~technical college instructional unit;~~
- (12) state university administrative unit;
- (13) (12) professional engineering unit;
- (14) (13) health treatment unit;
- (15) (14) general professional unit;
- (16) (15) professional state residential instructional unit; and
- (17) (16) supervisory employees 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 August 1, 1984, as required by law or as provided in subdivision 4.

Sec. 5. Laws 1991, chapter 356, article 9, section 8, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENTS TO BOARD.] Appointments to the higher education board must be made by July 1, 1991. Notwithstanding section 2, the initial higher education board consists of ~~two~~ *three* members each from the ~~state board of technical colleges~~, state board for community colleges, and the state university board, appointed by their respective boards and six members appointed by the governor. The governor's appointees may also be members of the current governing boards. The members appointed by boards must have been confirmed by the senate to the board from which they are appointed and served for at least one year on the board from which they were appointed. Initial higher education board members appointed by boards are not subject to further senate confirmation. Initial appointees of the

governor are not subject to section 3. The governor shall appoint the student member July 1, 1995. Notwithstanding section 2, subdivision 2, the initial members of the higher education board must be appointed so that an equal number will have terms expiring in three, five, and seven years. To the extent possible, the initial board must have the geographic balance required by section 2.

Sec. 6. Laws 1991, chapter 356, article 9, section 8, subdivision 4, is amended to read:

Subd. 4. [TRANSITIONAL PLANNING PROCESS.] The board shall immediately after appointment commence planning for the merger of the ~~technical college, community college, and state university systems.~~ As part of the planning process, the board shall consult with the local advisory committees, representatives of student government organizations, and exclusive representatives of the employees of the state universities, ~~and community colleges, and technical colleges.~~ The board shall complete a preliminary merger plan and timetable for the plan on or before March 1, 1992. Copies of the plan shall be submitted to the chairs of the education, appropriation, and finance committees of the legislature.

Sec. 7. Laws 1991, chapter 356, article 9, section 9, is amended to read:

Sec. 9. [TRANSFER OF POWERS.]

~~The state board of technical colleges, The state board for community colleges, and the state university board and their respective chancellors retain responsibility for operating and managing their systems until July 1, 1995. On July 1, 1995, the authority, duties, responsibilities, and related property of the state board of technical colleges, school boards, intermediate school boards, and joint vocational technical boards with respect to technical colleges, the state board for community colleges, and the state university board are transferred to the higher education board under Minnesota Statutes, section 15.039. The state board of technical colleges, state board for community colleges, and state university board are abolished, effective July 1, 1995.~~

Sec. 8. Laws 1991, chapter 356, article 9, section 14, is amended to read:

Sec. 14. [COOPERATION.]

~~The state university board, state board of technical colleges, and state board for community colleges shall cooperate with the higher education board. Each of those boards may transfer money, personnel, or equipment to the higher education board.~~

Sec. 9. [TRANSITIONAL PROVISION; RECOMPOSITION OF HIGHER EDUCATION BOARD.]

*The two members appointed by the state board of technical colleges to the higher education board are removed from the board. The state board for community colleges and the state university board shall appoint one member each to fill the remainder of the terms created by these vacancies.*

Sec. 10. [REPEALER.]

*Minnesota Statutes 1992, section 136E.04, subdivision 4; Laws 1991, chapter 356, article 9, sections 8, subdivision 6; and 11, are repealed.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day following final enactment."*

Amend the title accordingly

### CALL OF THE SENATE

Mr. Larson imposed a call of the Senate for the proceedings on his amendment. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Larson amendment.

The roll was called, and there were yeas 31 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Day	Langseth	Olson	Stevens
Benson, J.E.	Dille	Larson	Pariseau	Terwilliger
Berg	Hanson	Lesewski	Riveness	Vickerman
Berglin	Johnson	McGowan	Runbeck	
Bertram	Knutson	Metzen	Sams	
Chandler	Kroening	Neuville	Samuelson	
Chmielewski	Laidig	Oliver	Solon	

Those who voted in the negative were:

Anderson	Flynn	Kiscaden	Mondale	Price
Beckman	Frederickson	Krentz	Morse	Ranum
Belanger	Hottinger	Lessard	Murphy	Reichgott
Benson, D.D.	Johnson, D.E.	Luther	Novak	Robertson
Betzold	Johnson, D.J.	Marty	Pappas	Spear
Cohen	Johnson, J.B.	Merriam	Piper	Stumpf
Finn	Kelly	Moe, R.D.	Pogemiller	Wiener

The motion did not prevail. So the amendment was not adopted.

Mr. Dille moved to amend S.F. No. 1407 as follows:

Page 24, line 21, delete "\$6,000" and insert "\$5,000"

Page 24, line 23, delete "\$25,000" and insert "\$20,000"

Page 24, line 25, delete "\$9,000" and insert "\$7,500"

Page 24, line 27, delete "\$40,000" and insert "\$30,000"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 16 and nays 47, as follows:

Those who voted in the affirmative were:

Belanger	Frederickson	Laidig	Oliver	Runbeck
Benson, D.D.	Johnson	Lesewski	Pariseau	Stevens
Benson, J.E.	Kelly	Neuville	Robertson	Terwilliger
Dille				

Those who voted in the negative were:

Adkins	Finn	Kroening	Morse	Sams
Anderson	Flynn	Langseth	Murphy	Samuelson
Beckman	Hanson	Lessard	Novak	Solon
Berglin	Hottinger	Luther	Pappas	Spear
Bertram	Johnson, D.E.	Marty	Piper	Stumpf
Betzold	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Chandler	Johnson, J.B.	Merriam	Price	Wiener
Chmielewski	Kiscaden	Metzen	Ranum	
Cohen	Knutson	Moe, R.D.	Reichgott	
Day	Krentz	Mondale	Riveness	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 1407 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	Day	Knutson	Mondale	Reichgott
Anderson	Dille	Krentz	Morse	Riveness
Beckman	Finn	Kroening	Murphy	Robertson
Belanger	Flynn	Langseth	Neuville	Runbeck
Benson, D.D.	Frederickson	Larson	Novak	Sams
Benson, J.E.	Hanson	Lesewski	Oliver	Samuelson
Berg	Hottinger	Lessard	Olson	Solon
Berglin	Johnson, D.E.	Luther	Pappas	Spear
Bertram	Johnson, D.J.	Marty	Pariseau	Stevens
Betzold	Johnson, J.B.	McGowan	Piper	Stumpf
Chandler	Johnston	Merriam	Pogemiller	Terwilliger
Chmielewski	Kelly	Metzen	Price	Vickerman
Cohen	Kiscaden	Moe, R.D.	Ranum	Wiener

So the bill, as amended, was passed and its title was agreed to.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Merriam in the chair.

After some time spent therein, the committee arose, and Mr. Merriam reported that the committee had considered the following:

S.F. Nos. 376, 163, 692, 981, 722, 737, 207, 1141, 225, 241, 784, 1244, 1199, 386, 560, 782, 384 and H.F. Nos. 1296, 70, 520, 79, 469, which the committee recommends to pass.

S.F. No. 44, which the committee recommends to pass, subject to the following motions:

Ms. Kiscaden moved to amend S.F. No. 44 as follows:

Page 3, after line 28, insert:

*“(h) Upon the death of the beneficiary of a supplemental needs trust, the trust assets, minus expenses of fully administering and terminating the trust, are payable to the estate of the beneficiary and are subject to claims against the estate as provided by law, including medical assistance claims under section 256B.15.”*

Page 3, line 29, delete “(h)” and insert “(i)”

Page 3, line 31, delete “(g)” and insert “(h)”

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:

Belanger	Berg	Finn	Johnson, D.E.	Knutson
Benson, D.D.	Day	Frederickson	Johnston	Lesewski
Benson, J.E.	Dille	Hottinger	Kiscaden	McGowan

Merriam	Oliver	Ranum	Robertson	Stevens
Metzen	Olson	Rivness	Runbeck	Terwilliger
Neuville	Pariseau			

Those who voted in the negative were:

Adkins	Chmielewski	Krentz	Moe, R.D.	Price
Anderson	Cohen	Kroening	Mondale	Reichgott
Beckman	Flynn	Langseth	Morse	Sams
Berglin	Hanson	Larson	Murphy	Spear
Bertram	Johnson, D.J.	Lessard	Pappas	Stumpf
Betzold	Johnson, J.B.	Luther	Piper	Vickerman
Chandler	Kelly	Marty	Pogemiller	Wiener

The motion did not prevail. So the amendment was not adopted.

Ms. Berglin moved to amend S.F. No. 44 as follows:

Page 2, delete lines 18 to 22 and insert:

*“(c) For purposes of this subdivision, “person with a disability” means a person who, before creation of a trust that otherwise qualifies as a supplemental needs trust for the person’s benefit:*

*(1) is considered to be a person with a disability under the disability criteria specified in title II or title XVI of the Social Security Act;*

*(2) is considered to be a person with a disability under the criteria used to establish eligibility for other publicly funded benefits provided on the basis of physical or mental disability; or*

*(3) has a physical or mental condition that either before or following creation of the trust, to a reasonable degree of medical certainty, is expected to:*

*(i) last for a continuous period of at least 12 months; and*

*(ii) substantially impair the person’s ability to provide for the person’s care or custody. Disability in accordance with clause (3) may be established conclusively for purposes of this subdivision by the written opinion of a physician.”*

The motion prevailed. So the amendment was adopted.

S.F. No. 181, which the committee recommends to pass with the following amendment offered by Mr. Berg:

Page 38, after line 29, insert:

**“Sec. 56. [AGRICULTURAL LIMITED LIABILITY COMPANIES TASK FORCE.]**

*Subdivision 1. [MEMBERSHIP.] A legislative task force consisting of three members of the senate appointed by the subcommittee on committees of the committee on rules and administration and three members of the house of representatives appointed by the speaker shall study the feasibility of authorizing the use of family farm limited liability companies and authorized farm limited liability companies for agriculture and submit the report required under subdivision 2. No more than two members from each house may be members of the same caucus. The membership must include the chairs of the senate agriculture and rural development committee and the house of representatives agriculture committee. The task force shall elect a chair from its membership. Upon request of the task force, the commissioner of*

agriculture shall provide administrative and staff assistance. The existence of the task force terminates upon submission of the report required by subdivision 2.

*Subd. 2. [STUDY AND REPORT.] (a) The task force shall study the feasibility of authorizing family farm limited liability companies and authorized farm limited liability companies with similar restrictions that currently apply under the corporate farming act in Minnesota Statutes, section 500.24, and make recommendations concerning the following:*

*(1) the social and economic impact of authorizing family farm limited liability companies and authorized farm limited liability companies for agriculture and rural society in Minnesota;*

*(2) the economic and social impact of limited liability companies on agriculture and rural society in other states in which they have been authorized;*

*(3) the likelihood that family farm limited liability companies and authorized farm limited liability companies could be used to thwart the purposes of the corporate farming act of encouraging and protecting the family farm as a socially desirable mode of agricultural production; and*

*(4) an overall assessment of the costs and benefits of authorizing the use of family farm limited liability companies and authorized farm limited liability companies for agriculture in Minnesota.*

*(b) The task force shall conduct, at a minimum, two public hearings, as part of its study.*

*(c) The task force shall submit a written report containing its findings, recommendations, and draft legislation to the legislature by February 1, 1994."*

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. 507, which the committee recommends to pass, subject to the following motion:

Ms. Berglin moved that the amendment made to H.F. No. 507 by the Committee on Rules and Administration in the report adopted April 14, 1993, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 703, which the committee recommends to pass with the following amendment offered by Mr. Frederickson:

Page 1, line 21, delete "and"

Page 1, line 23, before the period, insert " ; and

*(3) collection of data relating to water quality within the drainage system as necessary to ascertain compliance with applicable water quality standards, including inspection of individual tile systems and laboratory analysis of water samples"*

The motion prevailed. So the amendment was adopted.



S.F. No: 414, which the committee recommends to pass with the following amendment offered by Ms. Flynn:

Page 14, after line 14, insert:

“Sec. 20. [STATE ADVISORY COUNCIL.]

*Subdivision 1. [ESTABLISHMENT; PURPOSE.] A state advisory council on metropolitan governance is established to provide a forum at the state level for education, discussion, identification of emerging regional needs and appropriate responses, and advice to the legislature on the present and future role of the metropolitan council, metropolitan agencies, and the local governmental units as defined in Minnesota Statutes, section 473.121. The creation of the advisory council shall not affect any otherwise existing reporting relationships of the council, metropolitan agencies, or the local governmental units to the legislature.*

*Subd. 2. [AUTHORITY; DUTIES.] (a) The advisory council shall review and comment to the legislature on the duties and responsibilities of the council, metropolitan agencies, and the local governmental units.*

*(b) The advisory council may gather information, conduct research and analysis, and advise the legislature on matters related to the council's charge.*

*(c) The advisory council may conduct public hearings to inform the public and solicit opinion.*

*(d) The advisory council shall consult with local governmental units in making its recommendations.*

*Subd. 3. [MEMBERSHIP.] The advisory council shall consist of 15 members who serve at the pleasure of the appointing authority as follows:*

*(1) six legislators; three members of the senate appointed by the subcommittee on committees of the committee on rules and administration; and three members of the house of representatives appointed by the speaker; and*

*(2) nine public members who are residents of the metropolitan area; two appointed by the subcommittee on committees of the committee on rules and administration of the senate and two appointed by the speaker of the house; and five appointed by the governor.*

*Subd. 4. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as co-chair of the advisory council.*

*Subd. 5. [ADMINISTRATION.] Legislative staff, the metropolitan council, and metropolitan agencies shall provide administrative and staff assistance when requested by the advisory council.*

Sec. 21. [EXPENSES.]

*The metropolitan council shall compensate the members of the advisory council. Public members are to be compensated in an amount provided by Minnesota Statutes, section 15.059, subdivision 3. Members of the legislature are to be paid per diem and expenses in an amount provided by Minnesota Statutes, section 3.099. The council shall adopt a budget of estimated expenses, not to exceed \$10,000, at its first meeting and provide a copy to the metropolitan council.”*

Page 14, line 23, delete "Section" and insert "Sections" and delete "is" and insert ", 20, and 21 are" and after the period, insert "Sections 20 and 21 are repealed June 30, 1994."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon, insert "establishing an advisory council on metropolitan governance;"

The motion prevailed. So the amendment was adopted.

S.F. No. 75, which the committee recommends to pass with the following amendment offered by Mr. Neuville:

Page 2, after line 33, insert:

"(c) [ENDANGERMENT BY FIREARM ACCESS.] *A person who intentionally or recklessly causes a child under 16 to be placed in a situation likely to substantially harm the child's physical health or cause the child's death as a result of the child's access to a firearm is guilty of child endangerment.*"

The motion prevailed. So the amendment was adopted.

S.F. No. 536, which the committee recommends to pass with the following amendment offered by Mr. Finn:

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "imposing on sheriffs a"

The motion prevailed. So the amendment was adopted.

S.F. No. 1400, which the committee recommends to pass with the following amendment offered by Mr. Hottinger:

Page 2, line 3, delete "21" and insert "30"

Page 2, line 6, after "voted" insert "in the county"

The motion prevailed. So the amendment was adopted.

S.F. No. 255, which the committee recommends to pass with the following amendment offered by Mr. Kroening:

Page 1, line 9, after the headnote, insert "(a)"

Page 2, after line 31, insert:

"(b) *Employees specified in paragraph (a), clause (15), are included employees under paragraph (a) providing that employer and employee contributions are made in a timely manner in the amounts required by section 352.04. Employee contributions must be deducted from salary. Employer contributions are the sole obligation of the employer assuming operation of the University of Minnesota heating plant facilities or any successor organizations to that employer.*"

Page 3, line 6, before "clause" insert "paragraph (a)."

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 Orders of Business of Executive and Official Communications, Reports of Committees, Second Reading of Senate Bills, Second Reading of House Bills and Motions and Resolutions.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received and referred to the committee indicated.

April 16, 1993

The Honorable Allan H. Spear  
President of the Senate

Dear Sir:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

#### STATE ETHICAL PRACTICES BOARD

John L. Holahan, Jr., 5320 Birchcrest Dr., Edina, Hennepin County, has been appointed by me, effective April 21, 1993, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Ethics and Campaign Reform.)

Warmest regards,  
Arne H. Carlson, Governor

### 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. 416, 34 and 338. The motion prevailed.

Mr. Novak from the Committee on Jobs, Energy and Community Development, to which was referred

S.F. No. 1437: A bill for an act relating to utilities; requiring cooperative electric associations and municipal utilities to comply with standards set by public utilities commission relating to electrical current or voltage; amending Minnesota Statutes 1992, section 216B.09.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 17, insert:

“Sec. 2. Minnesota Statutes 1992, section 216B.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE.] Unless the commission otherwise orders, no public utility shall change a rate which has been duly established under this chapter, except upon 60 days notice to the commission. The notice shall include statements of facts, expert opinions, substantiating documents, and

exhibits including an energy conservation improvement plan pursuant to section 216B.241, supporting the change requested, and state the change proposed to be made in the rates then in force and the time when the modified rates will go into effect. *If the filing utility does not have an approved conservation improvement plan on file with the department, it shall also include in its notice an energy conservation plan pursuant to section 216B.241.* The filing utility shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time.

Sec. 3. Minnesota Statutes 1992, section 216B.16, subdivision 1a, is amended to read:

Subd. 1a. [SETTLEMENT.] (a) When a public utility submits a general rate filing, the office of administrative hearings, before conducting a contested case hearing, shall convene a settlement conference including all of the parties for the purpose of encouraging settlement of any or all of the issues in the contested case. If a stipulated settlement is not reached before the contested case hearing, the office of administrative hearings may reconvene the settlement conference during or after completion of the contested case hearing at its discretion or a party's request. *The office of administrative hearings or the commission may, upon the request of any party and the public utility, extend the procedural schedule of the contested case in order to permit the parties to engage in settlement discussions. An extension must be for a definite period of time not to exceed 60 days.*

(b) If the applicant and all intervening parties agree to a stipulated settlement of the case or parts of the case, the settlement must be submitted to the commission. The commission shall accept or reject the settlement in its entirety and, at any time until its final order is issued in the case, may require the office of administrative hearings to conduct a contested case hearing. The commission may accept the settlement on finding that to do so is in the public interest and is supported by substantial evidence. If the commission does not accept the settlement, it may issue an order modifying the settlement subject to the approval of the parties. Each party shall have ten days in which to reject the proposed modification. If no party rejects the proposed modification, the commission's order becomes final. If the commission rejects the settlement, or a party rejects the commission's proposed modification, a contested case hearing must be completed.

Sec. 4. Minnesota Statutes 1992, section 216B.16, subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF PROPOSED RATES; HEARING; FINAL DETERMINATION DEFINED.] (a) Whenever there is filed with the commission a schedule modifying or resulting in a change in any rates then in force as provided in subdivision 1, the commission may suspend the operation of the schedule by filing with the schedule of rates and delivering to the affected utility a statement in writing of its reasons for the suspension at any time before the rates become effective. The suspension shall not be for a longer period than ten months beyond the initial filing date except as provided in paragraph (b) *this subdivision or subdivision 1a.* During the suspension the commission shall determine whether all questions of the reasonableness of the rates requested raised by persons deemed interested or by the administrative

division of the department of public service can be resolved to the satisfaction of the commission. If the commission finds that all significant issues raised have not been resolved to its satisfaction, or upon petition by ten percent of the affected customers or 250 affected customers, whichever is less, it shall refer the matter to the office of administrative hearings with instructions for a public hearing as a contested case pursuant to chapter 14, except as otherwise provided in this section. The commission may order that the issues presented by the proposed rate changes be bifurcated into two separate hearings as follows: (1) determination of the utility's revenue requirements and (2) determination of the rate design. Upon issuance of both administrative law judge reports, the issues shall again be joined for consideration and final determination by the commission. All prehearing discovery activities of state agency intervenors shall be consolidated and conducted by the department of public service. If the commission does not make a final determination concerning a schedule of rates within ten months after the initial filing date, the schedule shall be deemed to have been approved by the commission; except if:

*(1) an extension of the procedural schedule has been granted under subdivision 1a, in which case the schedule of rates is deemed to have been approved by the commission on the last day of the extended period of suspension; or*

*(2) a settlement has been submitted to and rejected by the commission, the schedule is deemed to have been approved 12 months after the initial filing and the commission does not make a final determination concerning the schedule of rates, the schedule of rates is deemed to have been approved 60 days after the initial or, if applicable, the extended period of suspension.*

(b) If the commission finds that it has insufficient time during the suspension period to make a final determination of a case involving changes in general rates because of the need to make final determinations of other previously filed cases involving changes in general rates under this section or section 237.075, the commission may extend the suspension period to the extent necessary to allow itself 20 working days to make the final determination after it has made final determinations in the previously filed cases. An extension of the suspension period under this paragraph does not alter the setting of interim rates under subdivision 3.

(c) For the purposes of this section, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all those petitions.

Sec. 5. Minnesota Statutes 1992, section 216B.16, subdivision 3, is amended to read:

Subd. 3. [INTERIM RATES.] Notwithstanding any order of suspension of a proposed increase in rates, the commission shall order an interim rate schedule into effect not later than 60 days after the initial filing date. The commission shall order the interim rate schedule ex parte without a public hearing. Notwithstanding the provisions of sections 216.25, 216B.27 and 216B.52, no interim rate schedule ordered by the commission pursuant to this subdivision shall be subject to an application for a rehearing or an appeal to a court until the commission has rendered its final determination. Unless the commission finds that exigent circumstances exist, the interim rate schedule shall be calculated using the proposed test year cost of capital, rate base, and

expenses, except that it shall include: (1) a rate of return on common equity for the utility equal to that authorized by the commission in the utility's most recent rate proceeding; (2) rate base or expense items the same in nature and kind as those allowed by a currently effective order of the commission in the utility's most recent rate proceeding; and (3) no change in the existing rate design. In the case of a utility which has not been subject to a prior commission determination, the commission shall base the interim rate schedule on its most recent determination concerning a similar utility.

If, at the time of its final determination, the commission finds that the interim rates are in excess of the rates in the final determination, the commission shall order the utility to refund the excess amount collected under the interim rate schedule, including interest on it which shall be at the rate of interest determined by the commission. The utility shall commence distribution of the refund to its customers within 120 days of the final order, not subject to rehearing or appeal. If, at the time of its final determination, the commission finds that the interim rates are less than the rates in the final determination, the commission shall prescribe a method by which the utility will recover the difference in revenues ~~from~~ *between* the date of the final determination ~~to~~ *and* the date the new rate schedules are put into effect. *In addition, when an extension is granted for settlement discussions under subdivision 1a, the commission shall allow the utility to also recover the difference in revenues for a length of time equal to the length of the extension.*

If the public utility fails to make refunds within the period of time prescribed by the commission, the commission shall sue therefor and may recover on behalf of all persons entitled to a refund. In addition to the amount of the refund and interest due, the commission shall be entitled to recover reasonable attorney's fees, court costs and estimated cost of administering the distribution of the refund to persons entitled to it. No suit under this subdivision shall be maintained unless instituted within two years after the end of the period of time prescribed by the commission for repayment of refunds. The commission shall not order an interim rate schedule in a general rate case into effect as provided by this subdivision until at least four months after it has made a final determination concerning any previously filed change of the rate schedule or the change has otherwise become effective under subdivision 2, unless:

- (1) the commission finds that a four month delay would unreasonably burden the utility, its customers, or its shareholders and that an earlier imposition of interim rates is therefore necessary; or
- (2) the utility files a second general rate case at least 12 months after it has filed a previous general rate case for which the commission has extended the suspension period under subdivision 2.

Sec. 6. Minnesota Statutes 1992, section 216B.43, is amended to read:

**216B.43 [HEARINGS; COMPLAINTS.]**

Upon the filing of an application under section 216B.42 or upon complaint by an affected utility that the provisions of sections 216B.39 to 216B.42 have been violated, the commission shall hold a hearing, upon notice, within 45 30 days after the filing of the ~~application~~ *of* complaint, and shall render its decision within 30 days after said hearing.

Sec. 7. Minnesota Statutes 1992, section 216B.48, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION OF AFFILIATED INTERESTS.] "Affiliated interests" with a public utility means the following:

(a) Every corporation and person owning or holding directly or indirectly five percent or more of the voting securities of such public utility.

(b) Every corporation and person in any chain of successive ownership of five percent or more of voting securities.

(c) Every corporation five percent or more of whose voting securities is owned by any person or corporation owning five percent or more of the voting securities of such public utility or by any person or corporation in any such chain of successive ownership of five percent or more of voting securities.

(d) Every person who is an officer or director of such public utility or of any corporation in any chain of successive ownership of five percent or more of voting securities.

(e) Every corporation operating a public utility or a servicing organization for furnishing supervisory, construction, engineering, accounting, legal and similar services to utilities, which has one or more officers or one or more directors in common with the public utility, and every other corporation which has directors in common with the public utility where the number of the directors is more than one-third of the total number of the utility's directors.

(f) Every corporation or person which the commission may determine as a matter of fact after investigation and hearing is actually exercising any substantial influence over the policies and actions of the public utility even though the influence is not based upon stockholding, stockholders, directors or officers to the extent specified in this section.

(g) Every person or corporation who or which the commission may determine as a matter of fact after investigation and hearing is actually exercising substantial influence over the policies and actions of the public utility in conjunction with one or more other corporations or persons with which or whom they are related by ownership or blood relationship or by action in concert that together they are affiliated with such public utility within the meaning of this section even though no one of them alone is so affiliated.

*(h) Every subsidiary of a public utility.*

*(i) Every part of a corporation in which an operating division is a public utility.*

Sec. 8. Minnesota Statutes 1992, section 216B.48, subdivision 4, is amended to read:

Subd. 4. [CONTRACTS WITH CONSIDERATION LESS THAN ~~\$10,000~~ \$50,000.] The provisions of this section requiring the written approval of the commission shall not apply to transactions with affiliated interests where the amount of consideration involved is not in excess of ~~\$10,000~~ \$50,000 or five percent of the capital equity of the utility whichever is smaller; provided, however, that regularly recurring payments under a general or continuing arrangement which aggregate a greater annual amount shall not be broken down into a series of transactions to come within the aforesaid exemption.

Such transactions shall be valid or effective without commission approval under this section. However, in any proceeding involving the rates or practices of the public utility, the commission may exclude from the accounts of such public utility any payment or compensation made pursuant to the transaction unless the public utility shall establish the reasonableness of the payment or compensation."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "regulating public utility commission procedures and filings; regulating affiliated interests of public utilities; providing for interim rates;"

Page 1, line 6, delete "section" and insert "sections" and before the period, insert "; 216B.16, subdivisions 1, 1a, 2, and 3; 216B.43; and 216B.48, subdivisions 1 and 4"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

H.F. No. 1089: A bill for an act relating to elections; setting the date by which Hennepin county park reserve district redistricting must take place; amending Minnesota Statutes 1992, section 383B.68, subdivision 4.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 416: A bill for an act relating to elections; providing for a presidential primary by mail; changing the date of the presidential primary; increasing the filing fee for an affidavit of candidacy; changing certain duties and procedures; amending Minnesota Statutes 1992, sections 204B.45, subdivision 3, and by adding a subdivision; 207A.01; 207A.02, subdivision 1a; 207A.03; 207A.04, subdivision 3; 207A.06, subdivision 2; 207A.08; and 207A.09; proposing coding for new law in Minnesota Statutes, chapter 207A; repealing Minnesota Statutes 1992, section 207A.07.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 5, reinstate the stricken language and delete the new language

Page 2, line 6, delete "*February*" and insert "*March*"

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. Marty from the Committee on Ethics and Campaign Reform, to which was referred

H.F. No. 1074: A bill for an act relating to elections; requiring publication



and posting of notice of filing dates by county auditors; amending Minnesota Statutes 1992, section 204B.33.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Marty from the Committee on Ethics and Campaign Reform, to which was referred

S.F. No. 1512: A bill for an act relating to elections; providing uniform local election procedures; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, subdivision 1, and by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 205A.03, subdivisions 1 and 2; 205A.04; 205A.05, subdivision 1; 205A.06, subdivision 1, and by adding a subdivision; 205A.09, subdivision 2; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1992, sections 205.02, subdivision 2; 205.065, subdivision 3; 205.18; 205.20; and 205A.04, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 29, insert:

“Sec. 3. Minnesota Statutes 1992, section 204B.14, subdivision 8, is amended to read:

Subd. 8. [COMBINED PRECINCT.] (a) Up to four contiguous municipalities located entirely outside the metropolitan area as defined in section 473.121, subdivision 2, that are contained in the same legislative district, congressional district, and county commissioner district may enter into a combination agreement to form one precinct for state and county election purposes, upon the approval of the county auditor. The governing body of each municipality proposing to enter into a combination agreement must provide the inhabitants of the municipality with published and posted notice of the proposed agreement three weeks before the second Tuesday in ~~March~~ *May*. A combination agreement must be approved by resolutions of all of the governing bodies of the combining municipalities on or before the ~~second Tuesday in March~~ *June 1* of an election year. A copy of the combination agreement must be submitted to the county auditor for approval, on or before ~~May 4~~ *June 10* of an election year.

(b) One or more of the municipalities in the combined precinct may withdraw from the combination by a resolution of the governing body of the withdrawing municipality, passed on or before the second Tuesday in ~~March~~ *May* of an election year. The withdrawing municipality shall file the resolution with the county auditor no later than ~~May 4~~ *June 10* of an election year. The decision of any one municipality to withdraw from the combination agreement automatically dissolves the combination unless all the remaining municipalities continue to meet all the requirements of this subdivision.

(c) The combination agreement must specify the designated polling place and the municipal election officials or governing bodies responsible for appointing election judges and the chair of the election board, posting notices,

preparing precinct maps, and carrying out other election duties required by law.

(d) In combining or separating, the municipalities must meet the time requirements specified in this section for changing precinct boundaries and in section 204B.16, subdivision 3, for designating a different polling place.

**Sec. 4. [204D.185] [SPECIAL ELECTIONS; EXPERIMENTAL MAIL BALLOTING.]**

*Subdivision 1. [AUTHORIZATION.] From August 1, 1993, to August 1, 1997, the secretary of state may authorize mail balloting for any special election that is not held on the same day as any other election, as provided in this section.*

*Subd. 2. [PROCEDURES.] No later than ten days before the special election, the county auditor shall mail a special election ballot to each registered voter, except that no ballot shall be mailed to a challenged voter. Voted ballots may be returned to the county auditor or another election official designated by the county auditor by mail or in person at any time up to 8:00 p.m. on election day. The county auditor or another election official designated by the county auditor shall designate at least one place in the county where voters may obtain assistance, return voted ballots, and register and vote on election day. The provisions of the Minnesota election law apply to elections conducted as provided in this section to the extent practicable. The costs of postage for mailing the ballots must be paid by the jurisdiction for which the special election is conducted.*

Sec. 5. Minnesota Statutes 1992, section 205.02, subdivision 2, is amended to read:

Subd. 2. [CITY ELECTIONS.] In all statutory and home rule charter cities, the primary, general and special elections held for choosing city officials and deciding public questions relating to the city shall be held as provided in this chapter, except that ~~this section and sections 205.065, subdivisions 2 to 4 to 7; 205.07 to, subdivision 3; 205.10, subdivision 2; 205.121; and 205.175 and 205.185~~ 205.17, subdivisions 2 and 3, do not apply to a city whose charter provides the manner of holding its primary, general or special elections."

Page 3, line 36, strike "in every"

Page 4, line 1, strike "even-numbered year" and strike everything after the period

Page 4, strike lines 2 and 3

Page 4, line 4, strike "regular meeting held before" and delete "June" and strike "1 of any year, elect"

Page 4, strike line 5

Page 4, line 6, strike "in November in each odd-numbered year."

Pages 4 and 5, delete sections 6 and 7

Page 6, line 30, after the period, insert "In municipalities nominating candidates at a municipal primary,"

Page 6, line 34, after the period, insert *"In all other municipalities, an affidavit of candidacy must be filed not more than 70 days and not less than 56 days before the municipal general election."*

Page 7, lines 10 and 22, after "town" insert *"not located within a metropolitan county as defined in section 473.121,"*

Pages 9 to 12, delete sections 15 to 21 and insert:

"Sec. 16. Minnesota Statutes 1992, section 206.90, subdivision 6, is amended to read:

Subd. 6. [BALLOTS.] In precincts using optical scan voting systems, a single ballot card on which all ballot information is included must be printed in black ink on white or buff colored material except that marks not to be read by the automatic tabulating equipment may be printed in another color ink. ~~If more than one ballot card is required, the cards must, so far as practicable, be of the same color as is required for paper ballots."~~

Page 13, line 9, strike "and election" and delete *"in March"*

Page 13, line 12, strike "and election"

Page 13, line 13, strike "and"

Page 13, line 14, strike "election are" and insert *"is"*

Page 13, delete section 23 and insert:

"Sec. 18. Minnesota Statutes 1992, section 365.51, subdivision 3, is amended to read:

Subd. 3. [OFFICERS; OTHER BUSINESS.] An annual town election shall be held on the same day as the annual town meeting *or on the first Tuesday after the first Monday in November in each year, whichever is provided by the town meeting*, to elect all town officers required by law to be elected. *If the town meeting changes the day of the town election, the town board members and other town officers serving on the effective date of the change shall serve shortened or lengthened terms on the schedule provided by the town meeting.*

Other town business shall be conducted at the town meeting as provided by law."

Page 15, line 2, delete "(a)" and delete "3 to 5" and insert "6 to 8"

Page 15, delete lines 10 to 18

Page 15, line 20, delete "205.02, subdivision 2;"

Page 15, line 21, delete "205A.04, subdivision"

Page 15, line 22, delete "2" and insert "410.21"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert *"requiring regular city elections to be held in the fall; permitting town elections to be held in November; making uniform certain local government procedures; authorizing special elections to be conducted by mail ballot;"*

Page 1, line 5, after "1;" insert "204B.14, subdivision 8; 205.02, subdivision 2;"

Page 1, line 6, delete "subdivision 1, and"

Page 1, line 9, delete everything after the first semicolon

Page 1, delete line 10

Page 1, delete line 11 and insert "206.90, subdivision 6; 365.51,"

Page 1, line 13, delete "205" and insert "204D"

Page 1, line 14, delete everything after "sections"

Page 1, line 15, delete "2;"

Page 1, line 16, delete everything before the period and insert "410.21"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 1169: A bill for an act relating to public financing for cleanup of polluted lands and for manufacturing development; authorizing manufacturing tax increment financing districts; modifying the computation of original tax capacity; imposing a state tax on contaminated properties; establishing a grant program for cleanup of polluted lands; allowing use of tax increments for environmental insurance and indemnification; authorizing the cities of Minnetonka and Hopkins to establish tax increment financing districts; establishing a dedicated account; appropriating money; amending Minnesota Statutes 1992, sections 273.11, subdivision 1, and by adding a subdivision; 275.065, subdivision 3; 276.04, subdivision 2; 469.174, subdivisions 19 and 20; 469.176, subdivision 4e; 469.177, subdivisions 1 and 8; proposing coding for new law in Minnesota Statutes, chapters 116; 270; and 469.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### CONTAMINATION TAX

#### Section 1. [270.91] [CONTAMINATION TAX.]

*Subdivision 1. [IMPOSITION.] A tax is annually imposed on the contamination value of taxable real property in this state.*

*Subd. 2. [INITIAL TAX RATES.] Unless the rates under subdivision 3 apply, the tax imposed under this section equals 90 percent of the class rate for the property under section 273.13, multiplied by the local tax rate, multiplied by the contamination value of the property.*

*Subd. 3. [TAX RATES AFTER PLAN APPROVAL.] (a) The tax imposed under this subdivision applies for the first assessment year that begins after one of the following occurs:*

(1) a response plan for the property has been approved by the commissioner of the pollution control agency and work under the plan has begun;

(2) the property has been listed by the pollution control agency on the permanent list of priorities under the environmental response, compensation, and compliance account established by section 115B.20; or

(3) the contaminants are asbestos and the property owner has in place an abatement plan for enclosure, removal, or encapsulation of the asbestos. To qualify under this clause, the property owner must either have entered into a binding contract with a licensed contractor for completion of the work or have obtained a license from the commissioner of health and begun the work. The abatement plan must provide for completion of the work within a reasonable time period, as determined by the assessors.

(b) To qualify under paragraph (a), the property owner must provide the assessor with a copy of (1) the approved response plan, (2) documents establishing that the property has been included on the list of priorities under the environmental response, compensation, and compliance account, or (3) a copy of the asbestos abatement plan and contract for completion of the work or the owner's license to perform the work. The property owner also must file with the assessor an affidavit indicating when work under the response action plan or asbestos abatement plan began.

(c) The tax imposed under this subdivision equals the following percentage of the contamination value of the property:

(1) two percent for class 3 and 5 property under section 273.13; and

(2) one-half of the applicable class rate under section 273.13 for all other types of properties. For classes of property subject to separate rates based on the market value, the applicable class rate for the entire contamination value is the lowest rate.

## Sec. 2. [270.92] [DEFINITIONS.]

Subdivision 1. [SCOPE OF APPLICATION.] For purposes of sections 1 to 8, the following terms have the meanings given.

Subd. 2. [ASSESSMENT YEAR.] "Assessment year" means the assessment year for purposes of general ad valorem property taxes.

Subd. 3. [CONTAMINANT.] "Contaminant" means a harmful substance as defined in section 115B.25, subdivision 7a.

Subd. 4. [CONTAMINATED MARKET VALUE.] "Contaminated market value" is the amount determined under section 3.

Subd. 5. [PRESENCE OF CONTAMINANTS.] "Presence of contaminants on the property" includes the release or threatened release, as defined in section 115B.02, subdivision 15, of contaminants on the property.

Subd. 6. [RESPONSE PLAN.] "Response plan" means either a development action response plan, as defined in section 469.174, subdivision 17, or a voluntary response action plan under section 115B.175, subdivision 3.

## Sec. 3. [270.93] [TAX BASE; CONTAMINATION VALUE.]

The contamination value of a parcel of property is the amount of the market value reduction, if any, that is granted for general ad valorem property tax

purposes for the assessment year because of the presence of contaminants. The contamination value for a property may be no greater than the cost of a reasonable response plan for the property. These reductions in market value include those granted by a court, by a board of review, by the assessor upon petition or request of a property owner, or by the assessor. Reductions granted by the assessor are included only if the assessor reduced the property's market value for the presence of contaminants using an appraisal method or methods that are specifically designed or intended to adjust for the valuation effects of the presence of contaminants. The contamination value for a parcel with a reduction in value of less than \$10,000 is zero.

#### Sec. 4. [270.94] [EXEMPTION.]

(a) The tax imposed by sections 1 to 8 does not apply to the contamination value of a parcel of property attributable to contaminants that were addressed by a response plan for the property, if the commissioner of the pollution control agency has certified that all the requirements of the plan have been satisfied. This exemption applies beginning for the first assessment year after the commissioner of the pollution control agency certifies that the response plan has been completed.

To qualify under this section, the property owner must provide the assessor with a copy of the certification by the commissioner of the pollution control agency of the completion of the response action plan.

(b) The tax imposed by sections 1 to 8 does not apply to the contamination value of a parcel of property if neither the owner nor operator of that parcel caused or contributed to the presence or possible presence of contaminants that resulted in the contamination value of the parcel of property.

#### Sec. 5. [270.95] [PAYMENT; ADMINISTRATION.]

The tax imposed under sections 1 to 8 is payable at the same time and manner as the regular ad valorem property tax. The tax is subject to the penalty, interest, lien, forfeiture, and any other rules for collection of the regular ad valorem property tax. If a reduction in market value that creates contamination value is granted after the ad valorem property tax has been paid, the contamination tax must be subtracted from the amount to be refunded to the property owner.

#### Sec. 6. [270.96] [DUTIES.]

Subdivision 1. [ASSESSORS.] Each assessor shall notify the county auditor of the contamination value under section 1, subdivisions 2 and 3, for each parcel of property within the assessor's jurisdiction. The assessor shall provide notice of the contamination value to the property owner by the later of (1) June 1. of the assessment year or (2) 30 days after the reduction in market value is finally granted.

Subd. 2. [AUDITOR.] The county auditor shall prepare separate lists of the contamination values for all property located in the county that are taxed under section 1, subdivision 2, and under section 1, subdivision 3. The commissioner shall prescribe the form of the listing. The auditor shall include the amount of the local and state contamination taxes on the contamination value for the assessment year on the regular ad valorem property tax statement under section 276.04.

*Subd. 3. [TREASURER.] The county treasurer shall pay the proceeds of the tax, less the amount retained by the county for the cost of administration under section 8, to the commissioner at the same times and in the same manner provided for the ad valorem property tax settlements.*

*Subd. 4. [COURT ORDERED REDUCTIONS IN VALUE.] If a court orders a reduction in market value for purposes of the ad valorem property tax because of the presence of contaminants on the property, the court shall include in its order an offset for payment of the state tax on contaminated value under section 1.*

**Sec. 7. [270.97] [DEPOSIT OF REVENUES.]**

*The commissioner shall deposit all revenues derived from the tax, interest, and penalties received from the county in the contaminated site cleanup and development account in the general fund.*

**Sec. 8. [270.98] [LOCAL ADMINISTRATIVE COSTS.]**

*The county shall retain five percent of the total revenues derived from the tax, including interest and penalties, as compensation for administering the tax. The county board may reimburse municipalities for the services provided by assessors employed by the municipality in administering sections 1 to 12.*

**Sec. 9. [APPROPRIATION.]**

*The first \$5,000,000 of tax proceeds collected annually from the state tax on contaminated value is appropriated to the pollution abatement development fund established by article 2, section 3. Any amounts collected in excess of \$5,000,000 shall be paid by the commissioner to the county treasurers in the same proportion as the collections from each county of the state tax on contaminated value, and shall be paid by the county treasurers to the local units of government in the same manner as ad valorem property taxes.*

**Sec. 10. Minnesota Statutes 1992, section 273.11, subdivision 1, is amended to read:**

**Subdivision 1. [GENERALLY.]** Except as provided in subdivisions 6, 8, 9, 11, and 14 this section 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, platted property shall be

assessed as provided in subdivision 14. 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. 11. Minnesota Statutes 1992, section 273.11, is amended by adding a subdivision to read:

*Subd. 15. [VALUATION OF CONTAMINATED PROPERTIES.] (a) In determining the market value of property containing contaminants, the assessor shall reduce the market value of the property by the contamination value of the property. The contamination value is the amount of the market value reduction that results from the presence of the contaminants, but it may not exceed the cost of a reasonable response plan for the property.*

*(b) For purposes of this subdivision, "contaminants" and "response plan" have the meanings given in section 2.*

Sec. 12. Minnesota Statutes 1992, 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 after November 10 and on or before November 24 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 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 current budget and 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.*

*(d) 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; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;*

*(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. In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; 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.

(e) 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;
- (4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and
- (5) any additional amount levied in lieu of a local sales and use tax, unless this amount is included in the proposed or final taxes; and
- (6) *the contamination tax imposed on properties which received market value reductions for contamination.*

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead and the homeowner provides satisfactory documentation to the county assessor that the property is owned and has been used as the owner's homestead prior to June 1 of that year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

Sec. 13. Minnesota Statutes 1992, section 276.04, subdivision 2, is amended to read:

Subd. 2. [CONTENTS OF TAX STATEMENTS.] (a) The treasurer shall provide for the printing of the tax statements. The commissioner of revenue shall prescribe the form of the property tax statement and its contents. The statement must contain a tabulated statement of the dollar amount due to each taxing authority from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the county, township or

municipality and school district must be separately stated. The amounts due other taxing districts, if any, may be aggregated. *The amount of the state tax on contamination value imposed under sections 270.91 to 270.98, if any, must also be separately stated.* The dollar amounts, including the dollar amount of any special assessments, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The statement shall include the following sentence, printed in upper case letters in boldface print: **“THE STATE OF MINNESOTA DOES NOT RECEIVE ANY PROPERTY TAX REVENUES. THE STATE OF MINNESOTA REDUCES YOUR PROPERTY TAX BY PAYING CREDITS AND REIMBURSEMENTS TO LOCAL UNITS OF GOVERNMENT.”**

(b) The property tax statements for manufactured homes and sectional structures taxed as personal property shall contain the same information that is required on the tax statements for real property.

(c) Real and personal property tax statements must contain the following information in the order given in this paragraph. The information must contain the current year tax information in the right column with the corresponding information for the previous year in a column on the left:

(1) the property's estimated market value as defined in section 272.03, subdivision 8;

(2) the property's gross tax, calculated by multiplying the property's gross tax capacity times the total local tax rate and adding to the result the sum of the aids enumerated in clause (3);

(3) a total of the following aids:

(i) education aids payable under chapters 124 and 124A;

(ii) local government aids for cities, towns, and counties under chapter 477A; and

(iii) disparity reduction aid under section 273.1398;

(4) for homestead residential and agricultural properties, the homestead and agricultural credit aid apportioned to the property. This amount is obtained by multiplying the total local tax rate by the difference between the property's gross and net tax capacities under section 273.13. This amount must be separately stated and identified as “homestead and agricultural credit.” For purposes of comparison with the previous year's amount for the statement for taxes payable in 1990, the statement must show the homestead credit for taxes payable in 1989 under section 273.13, and the agricultural credit under section 273.132 for taxes payable in 1989;

(5) any credits received under sections 273.119; 273.123; 273.135; 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit received under section 273.135 must be separately stated and identified as “taconite tax relief”;

(6) the net tax payable in the manner required in paragraph (a); and

(7) any additional amount of tax authorized under sections 124A.03, subdivision 2a, and 275.61. These amounts shall be listed as “voter approved referenda levies.”

The commissioner of revenue shall certify to the county auditor the actual or estimated aids enumerated in clauses (3) and (4) that local governments will receive in the following year. In the case of a county containing a city of the first class, for taxes levied in 1991, and for all counties for taxes levied in 1992 and thereafter, the commissioner must certify this amount by September 1.

Sec. 14. [EFFECTIVE DATE.]

*Sections 1 to 13 are effective beginning with taxes assessed in 1994, payable in 1995, and apply to reductions in market value in effect for the year regardless of when they were granted.*

ARTICLE 2

POLLUTION ABATEMENT LOAN AND GRANT PROGRAM

Section 1. [116J.987] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] In addition to the definitions in section 116J.03, the definitions in this section apply to sections 116J.987 to 116J.990.*

*Subd. 2. [MUNICIPALITY.] "Municipality" means a home rule charter or statutory city, town, county, school district, special taxing district, housing and redevelopment authority authorized to exercise powers under sections 469.001 to 469.047, port authority authorized to exercise powers under sections 469.048 to 469.089, economic development authority authorized to exercise powers under sections 469.090 to 469.1081, or municipal power agency governed by chapter 453.*

*Subd. 3. [POLLUTION ABATEMENT DEVELOPMENT GRANT.] "Pollution abatement development grant" means a grant to a municipality to be used by the municipality for the purposes of section 116J.990, subdivision 3, clause (6).*

*Subd. 4. [POLLUTION ABATEMENT DEVELOPMENT LOAN.] "Pollution abatement development loan" means a loan to a municipality to be used by the municipality for the purposes of section 116J.990, subdivision 3, clause (6).*

*Subd. 5. [RESPONSE PLAN.] "Response plan" means a development response action plan for removal, remedial, or corrective actions under section 469.174, subdivision 17, or a voluntary response action plan under section 115B.175.*

*Subd. 6. [TERMS DEFINED IN OTHER CHAPTERS.] "Facility," "federal Superfund Act," "hazardous substance," "pollutant or contaminant," "release," "remedy or remedial action," "removal action," and "response" have the meanings given in section 115B.02. "Corrective action" and "petroleum" have the meanings given in section 115C.02.*

Sec. 2. [116J.988] [ADDITIONAL POWERS OF COMMISSIONER.]

*For the purposes of sections 116J.987 to 116J.990, the commissioner may exercise the powers of the public facilities authority in section 446A.04 and may issue bonds under sections 446A.12 to 446A.20.*

Sec. 3. [116J.989] [POLLUTION ABATEMENT DEVELOPMENT LOAN FUND.]

*Subdivision 1. [ESTABLISHMENT.] A pollution abatement development fund is established in the state treasury and administered by the commissioner. The fund consists of money appropriated to it by the legislature, other public or private funding sources, and earnings on assets in the fund.*

*Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] Money in the fund is appropriated for the following purposes:*

- (1) to make pollution abatement development grants;*
- (2) to make or buy pollution abatement development loans;*
- (3) to pay the costs incurred in making or buying grants and loans under section 116J.990;*
- (4) to provide a source of revenue or security for the payment of principal and interest on bonds issued by the department, provided all of the bond proceeds are credited to the fund and used pursuant to sections 116J.987 to 116J.990; or*
- (5) to subsidize the interest rate on loans under section 116J.990.*

*Subd. 3. [SEPARATE ACCOUNTS.] The commissioner may require the commissioner of finance to create separate accounts within the fund to account for any money subject to limitation on use.*

Sec. 4. [116J.990] [POLLUTION ABATEMENT DEVELOPMENT LOANS AND GRANTS.]

*Subdivision 1. [AUTHORIZATION.] The commissioner may make or buy pollution abatement development loans with money from the pollution abatement development fund to pay up to 40 percent of the cost of a response plan. The commissioner may make a grant with money from the fund to pay up to one-half of the cost of a response plan. Both a loan and grant may be used to provide 90 percent funding for a single response plan.*

*Subd. 2. [LOAN REPAYMENT OBLIGATIONS.] (a) A municipality's obligation to repay a pollution abatement development loan must be evidenced by a revenue agreement with the commissioner. Loan repayment obligations are payable as a general obligation backed by the full faith and credit of the municipality. Payments made by the municipality under the revenue agreement may be less than or equal to the principal amount of the loan as determined by the commissioner based on the available sources of payment under this section. The loan may be interest free for a maximum period of five years. Thereafter the interest on the loan is at a rate and on terms set by the commissioner.*

*(b) A municipality must provide a local match equal to ten percent of the cost of a response plan from unrestricted money available to the municipality, excluding tax increment.*

*Subd. 3. [LOAN AND GRANT APPLICATION.] To obtain a contamination cleanup development grant, the development authority shall apply to the commissioner. The governing body of the municipality must approve, by resolution, the application. The commissioner shall prescribe and provide the*

application form. The application must include at least the following information:

- (1) identification of the site;
- (2) the proposed or approved response action plan for the site;
- (3) the results of engineering and other tests showing the nature and extent of the release of contaminants on site or the threatened release of contaminants onto the site;
- (4) a detailed estimate, along with necessary supporting evidence, of the total cleanup costs for the site;
- (5) an appraisal of the current market value of the property, separately taking into account the effect of the contaminants on the market value, prepared by a qualified independent appraiser using accepted appraisal methodology;
- (6) an assessment of the immediate or long-term potential hazard to the public health and safety resulting from a failure to implement the response action plan;
- (7) an assessment of the development potential or likely use of the site after completion of the response action plan, including any specific commitments from third parties to construct improvements on the site;
- (8) the manner in which the municipality will meet the local match requirement;
- (9) any additional information or material that the commissioner prescribes;
- (10) if applicable, that the municipality has previously received a pollution abatement development grant or loan for the property and in the course of carrying out the response plan has determined that the response plan should be amended or supplemented to provide for additional removal, remedial, or corrective actions; and
- (11) if applicable, that the commissioner of the pollution control agency has reviewed and approved the amendment or supplement to the response plan reflecting the additional removal, remedial, or corrective actions taken under clause (10).

*Subd. 4. [LOAN AND GRANT PRIORITY AND RESTRICTIONS.] (a)* On receipt of a loan or grant application, the pollution control agency shall advise the commissioner on the application based on the following criteria:

- (1) the nature, desirability, and appropriateness of the applicant's proposed remedial action; and
  - (2) whether entry into the agreement will expedite undertaking a remedy or remedial action.
- (b) Complete or permanent remedial action is not required unless the pollution control agency determines that a failure to do so would:
- (i) interfere with the implementation of a future remedy or remedial action;
  - (ii) result in an action that would significantly contribute to the release or threat of release of a hazardous substance or pollutant or contaminant; or

(iii) pose health risks for persons in the vicinity of the real property or facility.

(c) The commissioner shall make a selection based on the following criteria:

(1) the recommendation of the pollution control agency;

(2) the recommendation of a municipality as to the desirability of the development or redevelopment;

(3) the location and importance of the real property or facility to the municipality and the state in terms of the desirability of the development or redevelopment;

(4) the amount of proposed new investment in the real property or facility;

(5) whether the municipality will create a tax increment district or subdistrict to fund repayment of the loan; and

(6) whether the proposed development or redevelopment will leverage state expenditures.

(d) The amount made available by the combination of loans and grants must not exceed a total of \$5,000,000 for a site.

(e) Loans and grants must be made quarterly to applicants. If the commissioner determines that money in the fund is insufficient to make all loans and grants properly applied for, preference must be given first to applicants that meet the criteria described in paragraph (f) and subdivision 3, clauses (10) and (11). Applicants who are otherwise qualified but are not awarded a loan or grant due to a lack of available funds must be given preference on the next award date when funds are available.

(f) The award of grants and loans is limited as follows:

(1) not more than 70 percent of the available funds may be allocated to municipalities located in the metropolitan area as defined in section 473.121, subdivision 2; and

(2) not more than 33-1/3 percent of the available funds may be allocated to a single municipality.

If the requests for funds for qualified projects from outside the metropolitan area or from municipalities having less than 33-1/3 percent of the available funds in any year are insufficient to utilize all available funds, the funds may be allocated without regard to the limitation in this section. Any allocation of these funds without regard to the limitation in this section does not affect a municipality's later application for a loan or grant.

(g) A pollution abatement development loan or grant may not be made, unless approved by the pollution control agency, for a site for which removal, remedial, or corrective actions are scheduled by the pollution control agency to be initially funded during the current or next fiscal year under the federal Superfund Act, the Leaking Underground Storage Tank Trust Fund, United States Code, title 42, section 6991b, the environmental response, compensation, and compliance account under section 115B.20, the petroleum tank release cleanup account under section 115C.08, or another state funding source.

(h) Pollution abatement loans and grants may be made only if the appraised value of the contaminated portion of the site after adjusting for the effect on the value of the presence or possible presence of contaminants using accepted appraisal methodology is less than the estimated cleanup costs for the site or the cost of the response plan exceeds \$2 per square foot for the contaminated portion of the site.

Subd. 5. [LOAN OR GRANT APPROVAL.] (a) On approval of a loan or grant, the commissioner shall notify the municipality:

(1) of the amount of the loan or grant;

(2) that the approved amount is in a special account in the pollution abatement development loan fund established in section 116J.989; and

(3) that the loan or grant will be made when the terms for making and repaying the loan have been agreed to by the commissioner and the municipality.

(b) The loan must be evidenced by instruments prepared under this section and the law under which the municipality proposes to issue its obligation.

Subd. 6. [ACCOUNTING OF COSTS.] Upon completion of the response plan, the municipality shall submit to the commissioner an accounting of costs incurred and any unexpended loan or grant proceeds, including any unexpended investment earnings on proceeds, which must be applied to the payment of the obligation under the loan agreement.

Subd. 7. [AUTHORIZATION TO BORROW.] Notwithstanding any general or special law or charter to the contrary, a municipality may borrow from the fund by entering into a revenue agreement between the municipality and the commissioner. The commissioner may require the municipality to issue a note payable to the department or a fiduciary for the department consistent with the terms of the revenue agreement. The security for the repayment of the obligation evidenced by the revenue agreement or the note must be the full faith and credit of the municipality. The revenue agreement or note is an obligation under section 475.51, subdivision 3, but the issuance of the obligation is not otherwise subject to chapter 475.

Subd. 8. [RESPONSE PLAN EXPENSE RECOVERY ACTIONS.] (a) The commissioner shall notify the attorney general whenever the commissioner makes a loan or grant under sections 116J.987 to 116J.990. The attorney general shall review the expenditures for the response plan and the potential for cost recovery from the responsible parties and may:

(1) bring a civil action on behalf of the state and the municipality to recover the expenses, including administrative costs and litigation expenses, under section 115B.04 or other law; or

(2) assist the municipality in bringing an action as described in clause (1), by providing legal and technical advice, intervening in the action, or providing other appropriate assistance.

The decision to participate in an action is at the discretion of the attorney general.

(b) If the attorney general brings an action under paragraph (a), clause (1), the municipality shall certify its reasonable and necessary expenses to implement the response plan and shall cooperate with the attorney general as

required to effectively pursue the action. The certification by the municipality is prima facie evidence that the expenses are reasonable and necessary.

(c) The attorney general may deduct litigation expenses incurred by the attorney general from any amounts recovered in an action brought under paragraph (a), clause (1). Money recovered or paid to the attorney general for litigation expenses under this paragraph must be credited to the general fund. For the purposes of this section, "litigation expenses" means attorney fees and costs of discovery and other preparation for litigation.

Money recovered in an action brought under this subdivision in excess of the amounts paid to the attorney general for litigation expenses must be credited to the pollution abatement development fund established in section 116J.989.

Subd. 9. [RULES.] The commissioner may adopt rules to implement this section.

Sec. 5. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund for transfer to the pollution abatement development loan fund established in section 116J.989.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment.

### ARTICLE 3

#### TAX INCREMENT FINANCING

Section 1. Minnesota Statutes 1992, section 273.1399, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Qualifying captured net tax capacity" means the following amounts:

(1) the captured net tax capacity of a new or the expanded part of an existing economic development or soils condition tax increment financing district, other than a qualified manufacturing district, for which certification was requested after April 30, 1990;

(2) the captured net tax capacity of a qualified manufacturing district, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district:

Number of Years	Percentage
1	0
2	20
3	40
4	60
5	80
6 or more	100;

(3) the captured net tax capacity of a new or the expanded part of an existing tax increment financing district, other than an economic development



of district, soils condition district, or a qualified pollution district, for which certification was requested after April 30, 1990, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district.

Number of Years	Renewal and Renovation Districts	All other Districts
0 to 5	0	0
6	12.5	6.25
7	25	12.5
8	37.5	18.75
9	50	25
10	62.5	31.25
11	75	37.5
12	87.5	43.75
13	100	50
14	100	56.25
15	100	62.5
16	100	68.75
17	100	75
18	100	81.25
19	100	87.5
20	100	93.75
21 or more	100	100

In the case of a hazardous substance subdistrict, the number of years must be measured from the date of certification of the subdistrict for purposes of the additional captured net tax capacity resulting from the reduction in the subdistrict's or site's original net tax capacity.

(b) The terms defined in section 469.174 have the meanings given in that section.

(c) "Qualified manufacturing district" means an economic development district that qualifies under section 469.176, subdivision 4c, paragraph (a), without regard to clauses (2) and (4), for which certification was requested after June 30, 1991, located in a home rule charter or statutory city that (1) has a population under 10,000 according to the last federal census and (2) is wholly located outside of a metropolitan statistical area as determined by the United States Office of Management and Budget.

(d) "Qualified pollution district" means a pollution district in which:

(1) the percentage increase in the sum of the market value of the parcels in the pollution district during the five years before the year of certification of the district is the same as or less than, for the same time period, the percentage increase in the sum of the market value of the parcels in the school districts in which any parcels in the pollution district are located; or

(2) there has been no increase in the sum of the market value of the parcels in the pollution district during the five years before the year of certification of the district.

Sec. 2. Minnesota Statutes 1992, section 469.174, subdivision 9, is amended to read:

Subd. 9. [TAX INCREMENT FINANCING DISTRICT.] "Tax increment financing district" or "district" means a contiguous or noncontiguous geographic area within a project delineated in the tax increment financing plan, as provided by section 469.175, subdivision 1, for the purpose of financing redevelopment, mined underground space development, housing or economic development, or the remediation of contamination in municipalities through the use of tax increment generated from the captured net tax capacity in the tax increment financing district.

Sec. 3. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 22. [POLLUTION DISTRICT.] "*Pollution district*" means a type of tax increment financing district:

(1) that meets the requirements of an economic development district, housing district, mined underground space development district, redevelopment district, renewal and renovation district, or soils condition district;

(2) that consists of a project, or portions of a project, within which the authority finds it to be in the public interest to provide for the remediation of contamination; and

(3) in which the estimated costs of remediating present contamination or preventing future contamination of the land within the eligible site equal or exceed: (i) the fair market value of the improved property included in the district unless the improvements will be demolished prior to development; or (ii) \$2 per square foot of the area of the pollution district.

Sec. 4. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 23. [REMEDICATION.] "*Remediation*" means any activity constituting "removal," "remedy," "remedial action," or "response," as those terms are defined in section 115B.02; environmental audits; pollution tests; acquisition and demolition necessary to accomplish remediation; soil removal, correction, disposal, or compaction necessary to accomplish remediation; preparation and implementation of environmental response plans; administrative, legal, financial, and other professional services; and other activities reasonably related to the prevention or amelioration of contamination.

Sec. 5. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 24. [CONTAMINATION.] "*Contamination*" means the presence of:

(1) a substance defined as a "hazardous substance" or "toxic substance" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, United States Code, title 42, section 9061, et seq.;

(2) a substance defined as a "hazardous substance," "hazardous waste," or "pollutant or contaminant" in section 115B.02; or

(3) petroleum or its derivatives.

Sec. 6. Minnesota Statutes 1992, section 469.175, subdivision 1, is amended to read:

Subdivision 1. [TAX INCREMENT FINANCING PLAN.] (a) A tax increment financing plan shall contain:

(1) a statement of objectives of an authority for the improvement of a project;

(2) a statement as to the development program for the project, including the property within the project, if any, that the authority intends to acquire;

(3) a list of any development activities that the plan proposes to take place within the project, for which contracts have been entered into at the time of the preparation of the plan, including the names of the parties to the contract, the activity governed by the contract, the cost stated in the contract, and the expected date of completion of that activity;

(4) identification or description of the type of any other specific development reasonably expected to take place within the project, and the date when the development is likely to occur;

(5) estimates of the following:

(i) cost of the project, including administration expenses;

(ii) amount of bonded indebtedness to be incurred;

(iii) sources of revenue to finance or otherwise pay public costs;

(iv) the most recent net tax capacity of taxable real property within the tax increment financing district;

(v) the estimated captured net tax capacity of the tax increment financing district at completion; and

(vi) the duration of the tax increment financing district's existence;

(6) statements of the authority's alternate estimates of the impact of tax increment financing on the net tax capacities of all taxing jurisdictions in which the tax increment financing district is located in whole or in part. For purposes of one statement, the authority shall assume that the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district, and for purposes of the second statement, the authority shall assume that none of the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district;

(7) identification and description of studies and analyses used to make the determination set forth in subdivision 3, clause (2); and

(8) identification of all parcels to be included in the district.

(b) The authority may elect in the tax increment financing plan to delay receipt of the first tax increment from the district until the earlier of:

(1) the fourth anniversary of the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor; or

(2) the date the market value of the district, as determined by the assessor, has attained a minimum market value specified in the tax increment financing plan, a development agreement, or an assessment agreement.

(c) *With respect to a pollution district, the authority shall elect in the tax increment financing plan to impose the provisions of sections 469.174 to 469.179, applicable to an economic development district, housing district, mined underground space development district, redevelopment district, renewal and renovation district, or soils condition district; to the pollution district. The authority must make the election in the plan and, once made, the election is irrevocable. Thereafter, the provisions of sections 469.174 to 469.179 applicable to such district shall be applicable to the pollution district.*

Sec. 7. Minnesota Statutes 1992, section 469.176, subdivision 1, is amended to read:

Subdivision 1. [DURATION OF TAX INCREMENT FINANCING DISTRICTS.] (a) Subject to the limitations contained in paragraphs (b) to (g), any tax increment financing district as to which bonds are outstanding, payment for which the tax increment and other revenues have been pledged, shall remain in existence at least as long as the bonds continue to be outstanding. The municipality may, at the time of approval of the initial tax increment financing plan, provide for a shorter maximum duration limit than specified in paragraphs (b) to (g). The specified limit applies in place of the otherwise applicable limit.

(b) The tax increment pledged to the payment of the bonds and interest thereon may be discharged and the tax increment financing district may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or date of redemption and interest thereon to the maturity or redemption date.

(c) For bonds issued pursuant to section 469.178, subdivisions 2 and 3, the full faith and credit and any taxing powers of the municipality or authority shall continue to be pledged to the payment of the bonds until the principal of and interest on the bonds has been paid in full.

(d) No tax increment shall be paid to an authority for a tax increment financing district after three years from the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor, unless within the three-year period (1) bonds have been issued in aid of the project containing the district pursuant to section 469.178, or any other law, except revenue bonds issued pursuant to sections 469.152 to 469.165, or (2) the authority has acquired property within the district, or (3) the authority has constructed or caused to be constructed public improvements within the district.

(e) No tax increment shall in any event be paid to the authority (1) after 25 years from date of receipt by the authority of the first tax increment for a mined underground space development district, redevelopment district, or housing district, (2) after 15 years after receipt by the authority of the first increment for a renewal and renovation district, (3) after 12 years from approval of the tax increment financing plan for a soils condition district, and (4) after eight years from the date of the receipt, or ten years from approval of the tax increment financing plan, whichever is less, for an economic development district, and (5) *except as provided in paragraph (f), after 25 years from date of receipt by the authority of the first tax increment for a pollution district.*

*(f) No tax increment derived from a pollution district, except tax increment attributable to the reduction in original net tax capacity pursuant to an election under section 469.177, subdivision 1, paragraph (i), shall be paid to the authority, unless such tax increment will be used for the remediation of contamination, (1) after 25 years from the date of receipt by the authority of the first tax increment from a pollution district that the authority has elected to be subject to the provisions applicable to a mined underground space development district, redevelopment district, or housing district, (2) after 15 years from the date of receipt by the authority of the first tax increment from a pollution district that the authority has elected to be subject to the provisions applicable to a renewal and renovation district, (3) after 12 years from the date of approval of the tax increment financing plan for a pollution district that the authority has elected to be subject to the provisions applicable to a soils condition district, and (4) after eight years from the date of receipt by the authority of the first tax increment, or ten years from the date of approval of the tax increment financing plan, whichever is less, for a pollution district that the authority has elected to be subject to the provisions applicable to an economic development district.*

For tax increment financing districts created prior to August 1, 1979, no tax increment shall be paid to the authority after April 1, 2001, or the term of a nondefeased bond or obligation outstanding on April 1, 1990, secured by increments from the district or project area, whichever time is greater, provided that in no case will a tax increment be paid to an authority after August 1, 2009, from such a district. If a district's termination date is extended beyond April 1, 2001, because bonds were outstanding on April 1, 1990, with maturities extending beyond April 1, 2001, the following restrictions apply. No increment collected from the district may be expended after April 1, 2001, except to pay or defease (i) bonds issued before April 1, 1990, or (ii) bonds issued to refund the principal of the outstanding bonds and pay associated issuance costs, provided the average maturity of the refunding bonds does not exceed the bonds refunded.

*(f) (g) Modification of a tax increment financing plan pursuant to section 469.175, subdivision 4, shall not extend the durational limitations of this subdivision.*

*(g) (h) If a parcel of a district is part of a designated hazardous substance site or a hazardous substance subdistrict, tax increment may be paid to the authority from the parcel for longer than the period otherwise provided by this subdivision. The extended period for collection of tax increment begins on the date of receipt of the first tax increment from the parcel that is more than any tax increment received from the parcel before the date of the certification under section 469.174, subdivision 7, paragraph (b), and received after the date of certification to the county auditor described in section 469.174, subdivision 7, paragraph (b). The extended period for collection of tax increment is the lesser of: (1) 25 years from the date of commencement of the extended period; or (2) the period necessary to recover the costs of removal actions or remedial actions specified in a development response action plan.*

*(h) (i) If a parcel located in the district has delinquent property taxes when the district terminates under the duration limits under this subdivision, the payment of the parcel's delinquent taxes made after decertification of the district are tax increments to the extent the nonpayment of property taxes caused the outstanding bonds or contractual obligations pledged to be paid by the district to be paid by sources other than tax increments or to go unpaid.*

The county auditor shall pay the appropriate amount to the district. The authority shall provide the county auditor with information regarding the payment of outstanding bonds or contractual obligations and any other information necessary to administer the payment, as requested by the county auditor.

Sec. 8. Minnesota Statutes 1992, section 469.176, subdivision 4, is amended to read:

Subd. 4. [LIMITATION ON USE OF TAX INCREMENT; GENERAL RULE.] All revenues derived from tax increment shall be used in accordance with the tax increment financing plan. The revenues shall be used solely for the following purposes: (1) to pay the principal of and interest on bonds issued to finance a project; (2) by a rural development financing authority for the purposes stated in section 469.142, by a port authority or municipality exercising the powers of a port authority to finance or otherwise pay the cost of redevelopment pursuant to sections 469.048 to 469.068, by an economic development authority to finance or otherwise pay the cost of redevelopment pursuant to sections 469.090 to 469.108, by a housing and redevelopment authority or economic development authority to finance or otherwise pay public redevelopment costs pursuant to sections 469.001 to 469.047, by a municipality or economic development authority to finance or otherwise pay the capital and administration costs of a development district pursuant to sections 469.124 to 469.134, *by a municipality or authority to finance or otherwise pay the costs of the remediation of contamination in a project in which a pollution district is located*, by a municipality or redevelopment agency to finance or otherwise pay premiums for insurance or other security guaranteeing the payment when due of principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to 469.165, or both, or to accumulate and maintain a reserve securing the payment when due of the principal of and interest on the bonds pursuant to chapter 462C, sections 469.152 to 469.165, or both, which revenues in the reserve shall not exceed, subsequent to the fifth anniversary of the date of issue of the first bond issue secured by the reserve, an amount equal to 20 percent of the aggregate principal amount of the outstanding and nondefeased bonds secured by the reserve.

Sec. 9. Minnesota Statutes 1992, section 469.176, is amended by adding a subdivision to read:

Subd. 4k. [POLLUTION DISTRICTS.] *The portion of the tax increment derived from a pollution district that is attributable to the reduction in original net tax capacity pursuant to an election under section 469.177, subdivision 1, paragraph (i), shall only be used to pay or reimburse the costs of the remediation of contamination in the project in which the pollution district is located. The remaining tax increment received from a pollution district may be used in accordance with subdivision 4, but subject to the restrictions imposed by sections 469.174 to 469.179 applicable to the type of district elected by the authority pursuant to section 469.175, subdivision 1, paragraph (c).*

Sec. 10. Minnesota Statutes 1992, section 469.1763, is amended by adding a subdivision to read:

Subd. 6. [POLLUTION DISTRICTS.] *Subdivisions 2 to 4 do not apply to a pollution district if:*

(1) the district is located within a project that meets the criteria of a targeted neighborhood under sections 469.201, subdivision 10; and 469.202, subdivisions 1 and 2, provided that the project does not exceed 50 acres and does not include additional area under section 469.202, subdivision 3;

(2) the authority has elected, under section 469.175, subdivision 1, paragraph (c), to impose the provisions of sections 469.174 to 469.179 applicable to a redevelopment district to the pollution district; or

(3) the authority has elected, under section 469.175, subdivision 1, paragraph (c), to impose the provisions of sections 469.174 to 469.179 applicable to a renewal and renovation district to the pollution district.

Sec. 11. [469.1764] [GUARANTY OR INDEMNIFICATION FUND.]

An authority may establish and maintain a guaranty or indemnification fund with respect to any contaminated parcel, or more than one such parcel, included within a pollution district. Funds held in the guaranty or indemnification fund must be available, upon terms and conditions determined by the authority through agreement or resolution, to an eligible person to indemnify and hold harmless the eligible person from liability for remediation costs arising under any state or federal environmental law, regulation, ruling, order, or decision with respect to the contaminated parcel or parcels by reason of the person's use, occupancy, ownership, or financing associated with the contaminated parcel. The authority may not indemnify or hold harmless an eligible person from liability for contamination of a parcel caused by the eligible person. Tax increments derived from a pollution district and any other funds available to the authority may be deposited in or otherwise used to secure payments from the guaranty or indemnification fund. The authority is liable under the guaranty or indemnification only to the extent of funds available to secure payments from the guaranty or indemnification fund. The maximum amount payable from the guaranty or indemnification fund with respect to any eligible parcel or group of parcels must not exceed 50 percent of the cost of remediation of the contamination present in the contaminated parcels at the time of final approval of the plan, which amount may be inflated each year according to an appropriate inflation index selected by the authority. The guaranty or indemnification fund must be held or maintained in or with a financial institution or corporate fiduciary eligible for the deposit of public money or eligible to act as a trustee or fiduciary for bonds or other obligations issued under chapter 475. The guaranty or indemnification fund must be held and maintained for the period agreed to by the authority, except that tax increments may be deposited in the fund only during the duration of the district. Upon termination of the period of guaranty or indemnification all unexpended money then held in the guaranty or indemnification fund must be considered excess tax increments and returned to the county auditor for redistribution. Investment earnings, net of investment losses, on money held in the guaranty or indemnification fund may, at the option of the authority, be retained in the fund or disbursed to the authority and applied to other eligible costs. Tax increments used or pledged to secure payments from the guaranty or indemnification fund may be irrevocably pledged for that purpose, and neither filing nor possession is required to perfect the security interest created by the pledge.

Sec. 12. Minnesota Statutes 1992, section 469.177, subdivision 1, is amended to read:

Subdivision 1. [ORIGINAL NET TAX CAPACITY.] (a) Upon or after adoption of a tax increment financing plan, the auditor of any county in which the district is situated shall, upon request of the authority, certify the original net tax capacity of the tax increment financing district as described in the tax increment financing plan and shall certify in each year thereafter the amount by which the original net tax capacity has increased or decreased as a result of a change in tax exempt status of property within the district, reduction or enlargement of the district or changes pursuant to subdivision 4.

(b) In the case of a mined underground space development district the county auditor shall certify the original net tax capacity as zero, plus the net tax capacity, if any, previously assigned to any subsurface area included in the mined underground space development district pursuant to section 272.04.

(c) For districts approved under section 469.175, subdivision 3, or parcels added to existing districts after May 1, 1988, if the classification under section 273.13 of property located in a district changes to a classification that has a different assessment ratio, the original net tax capacity of that property must be redetermined at the time when its use is changed as if the property had originally been classified in the same class in which it is classified after its use is changed.

(d) The amount to be added to the original net tax capacity of the district as a result of previously tax exempt real property within the district becoming taxable equals the net tax capacity of the real property as most recently assessed pursuant to section 273.18 or, if that assessment was made more than one year prior to the date of title transfer rendering the property taxable, the net tax capacity assessed by the assessor at the time of the transfer. If substantial taxable improvements were made to a parcel after certification of the district and if the property later becomes tax exempt, in whole or part, as a result of the authority acquiring the property through foreclosure or exercise of remedies under a lease or other revenue agreement, the amount to be added to the original net tax capacity of the district as a result of the property again becoming taxable is the amount of the parcel's value that was included in original net tax capacity when the parcel was first certified. The amount to be added to the original net tax capacity of the district as a result of enlargements equals the net tax capacity of the added real property as most recently certified by the commissioner of revenue as of the date of modification of the tax increment financing plan pursuant to section 469.175, subdivision 4.

(e) For districts approved under section 469.175, subdivision 3, or parcels added to existing districts after May 1, 1988, if the net tax capacity of a property increases because the property no longer qualifies under the Minnesota agricultural property tax law, section 273.111; the Minnesota open space property tax law, section 273.112; or the metropolitan agricultural preserves act, chapter 473H, or because platted, unimproved property is improved or three years pass after approval of the plat under section 273.11, subdivision 1, the increase in net tax capacity must be added to the original net tax capacity.

(f) Each year the auditor shall also add to the original net tax capacity of each economic development district an amount equal to the original net tax capacity for the preceding year multiplied by the average percentage increase in the market value of all property included in the economic development district during the five years prior to certification of the district.



(g) The amount to be subtracted from the original net tax capacity of the district as a result of previously taxable real property within the district becoming tax exempt, or a reduction in the geographic area of the district, shall be the amount of original net tax capacity initially attributed to the property becoming tax exempt or being removed from the district. If the net tax capacity of property located within the tax increment financing district is reduced by reason of a court-ordered abatement, stipulation agreement, voluntary abatement made by the assessor or auditor or by order of the commissioner of revenue, the reduction shall be applied to the original net tax capacity of the district when the property upon which the abatement is made has not been improved since the date of certification of the district and to the captured net tax capacity of the district in each year thereafter when the abatement relates to improvements made after the date of certification. The county auditor may specify reasonable form and content of the request for certification of the authority and any modification thereof pursuant to section 469.175, subdivision 4.

(h) If a parcel of property contained a substandard building that was demolished or removed and if the authority elects to treat the parcel as occupied by a substandard building under section 469.174, subdivision 10, paragraph (b), the auditor shall certify the original net tax capacity of the parcel using the greater of (1) the current net tax capacity of the parcel, or (2) the estimated market value of the parcel for the year in which the building was demolished or removed, but applying the class rates for the current year.

*(i) The original net tax capacity of a pollution district may be reduced by an amount up to 100 percent of the original net tax capacity of the pollution district at the election of the authority. The election must be made in writing and delivered to the county auditor of the county in which the pollution district is located. The change in original net tax capacity is effective as of the July 1 subsequent to the date of receipt of the election by the county auditor. The tax increment attributable to this reduction in original net tax capacity must be used only in accordance with section 469.176, subdivision 4. At any time after an election to reduce the original net tax capacity of a pollution district has been made pursuant to this subdivision, the authority may elect to forego the election. If the authority elects to forego the election, the original net tax capacity shall be changed to the original net tax capacity that would have been applicable to the pollution district without the application of this paragraph. The subsequent election must be made in writing and delivered to the county auditor of the county in which the pollution district is located. The change in original net tax capacity is effective as of the July 1 subsequent to the date of receipt of the election by the county auditor.*

### Sec. 13. [EFFECTIVE DATE.]

*Section 1 is effective for aid payable in 1994 and thereafter. Sections 2 to 12 are effective for districts certified after May 31, 1993.*

## ARTICLE 4

### MANUFACTURING DISTRICTS

Section 1. Minnesota Statutes 1992, section 273.1399, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Qualifying captured net tax capacity" means the following amounts:

(1) the captured net tax capacity of a new or the expanded part of an existing economic development or soils condition tax increment financing district, other than a qualified manufacturing district, for which certification was requested after April 30, 1990;

(2) the captured net tax capacity of a qualified manufacturing district, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district:

Number of Years	Percentage
1	0
2	20
3	40
4	60
5	80
6 or more	100;

(3) the captured net tax capacity of a new or the expanded part of an existing tax increment financing district, other than an economic development or, soils condition district, or manufacturing district, for which certification was requested after April 30, 1990, multiplied by the following percentage based on the number of years that have elapsed since the assessment year of the original net tax capacity. In no case may the final amounts be less than zero or greater than the total captured net tax capacity of the district.

Number of years	Renewal and Renovation Districts	All other Districts
0 to 5	0	0
6	12.5	6.25
7	25	12.5
8	37.5	18.75
9	50	25
10	62.5	31.25
11	75	37.5
12	87.5	43.75
13	100	50
14	100	56.25
15	100	62.5
16	100	68.75
17	100	75
18	100	81.25
19	100	87.5
20	100	93.75
21 or more.	100	100

In the case of a hazardous substance subdistrict, the number of years must be measured from the date of certification of the subdistrict for purposes of the additional captured net tax capacity resulting from the reduction in the subdistrict's or site's original net tax capacity.

(b) The terms defined in section 469.174 have the meanings given in that section.

(c) "Qualified Manufacturing district" means:

(1) an economic development district that qualifies under section 469.176, subdivision 4c, paragraph (a), without regard to clauses (2) and (4), for which certification was requested after June 30, 1991, located in a home rule charter or statutory city that (1) (i) has a population under 10,000 according to the last federal census, and (2) (ii) is wholly located outside of a metropolitan statistical area as determined by the United States Office of Management and Budget; or

(2) a manufacturing district under section 469.174, subdivision 22.

Sec. 2. Minnesota Statutes 1992, section 469.174, subdivision 9, is amended to read:

Subd. 9. [TAX INCREMENT FINANCING DISTRICT.] "Tax increment financing district" or "district" means a contiguous or noncontiguous geographic area within a project delineated in the tax increment financing plan, as provided by section 469.175, subdivision 1, for the purpose of financing redevelopment, mined underground space development, housing or economic development, or manufacturing in municipalities through the use of tax increment generated from the captured net tax capacity in the tax increment financing district.

Sec. 3. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 22. [MANUFACTURING DISTRICT.] "Manufacturing district" means a type of tax increment financing district that:

(1) meets the requirements of an economic development district; and

(2) consists of a project, or portions of a project, within which the authority finds it to be in the public interest to provide for the development of manufacturing facilities. The finding must be made in a resolution adopted by the authority on or before the date of approval of the plan for the district.

Sec. 4. Minnesota Statutes 1992, section 469.174, is amended by adding a subdivision to read:

Subd. 23. [MANUFACTURING FACILITY.] "Manufacturing facility" means property that is acquired, constructed, or rehabilitated, if at least 85 percent of the property is used:

(1) for the manufacturing or production of tangible personal property, including processing resulting in the change in condition of the tangible personal property;

(2) for the warehousing, storage, and distribution of tangible personal property, excluding retail sales;

(3) for research and development activities related to the activities listed in clause (1) or (2); or

(4) space necessary for and related to the activities listed in clause (1), (2), or (3).

Sec. 5. Minnesota Statutes 1992, section 469.175, subdivision 1, is amended to read:

Subdivision 1. [TAX INCREMENT FINANCING PLAN.] (a) A tax increment financing plan shall contain:

(1) a statement of objectives of an authority for the improvement of a project;

(2) a statement as to the development program for the project, including the property within the project, if any, that the authority intends to acquire;

(3) a list of any development activities that the plan proposes to take place within the project, for which contracts have been entered into at the time of the preparation of the plan, including the names of the parties to the contract, the activity governed by the contract, the cost stated in the contract, and the expected date of completion of that activity;

(4) identification or description of the type of any other specific development reasonably expected to take place within the project, and the date when the development is likely to occur;

(5) estimates of the following:

(i) cost of the project, including administration expenses;

(ii) amount of bonded indebtedness to be incurred;

(iii) sources of revenue to finance or otherwise pay public costs;

(iv) the most recent net tax capacity of taxable real property within the tax increment financing district;

(v) the estimated captured net tax capacity of the tax increment financing district at completion; and

(vi) the duration of the tax increment financing district's existence;

(6) statements of the authority's alternate estimates of the impact of tax increment financing on the net tax capacities of all taxing jurisdictions in which the tax increment financing district is located in whole or in part. For purposes of one statement, the authority shall assume that the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district, and for purposes of the second statement, the authority shall assume that none of the estimated captured net tax capacity would be available to the taxing jurisdictions without creation of the district;

(7) identification and description of studies and analyses used to make the determination set forth in subdivision 3, clause (2); and

(8) identification of all parcels to be included in the district.

*(b) The authority may elect in the tax increment financing plan to provide that increment is first received by the authority when one year has elapsed from the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor.*

Sec. 6. Minnesota Statutes 1992, section 469.175, is amended by adding a subdivision to read:

*Subd. 2a. [MANUFACTURING DISTRICTS.] In the case of a manufacturing district, in addition to the requirements of subdivision 2, at least 30 days before the publication of the notice for public hearing under subdivision 3, the authority shall deliver written notice of the proposed manufacturing district to the county board of the county in which the area proposed to be included in the manufacturing district is located. The notice must contain a general description of the boundaries of the proposed manufacturing district and the proposed activities to be financed by the manufacturing district, an offer by the authority to meet and discuss the proposed district with the county board, and a solicitation of the county board's comments with respect to the manufacturing district.*

Sec. 7. Minnesota Statutes 1992, section 469.175, subdivision 3, is amended to read:

**Subd. 3. [MUNICIPALITY APPROVAL.]** A county auditor shall not certify the original net tax capacity of a tax increment financing district until the tax increment financing plan proposed for that district has been approved by the municipality in which the district is located. If an authority that proposes to establish a tax increment financing district and the municipality are not the same, the authority shall apply to the municipality in which the district is proposed to be located and shall obtain the approval of its tax increment financing plan by the municipality before the authority may use tax increment financing. The municipality shall approve the tax increment financing plan only after a public hearing thereon after published notice in a newspaper of general circulation in the municipality at least once not less than ten days nor more than 30 days prior to the date of the hearing. The published notice must include a map of the area of the district from which increments may be collected and, if the project area includes additional area, a map of the project area in which the increments may be expended. The hearing may be held before or after the approval or creation of the project or it may be held in conjunction with a hearing to approve the project. Before or at the time of approval of the tax increment financing plan, the municipality shall make the following findings, and shall set forth in writing the reasons and supporting facts for each determination:

(1) that the proposed tax increment financing district is a redevelopment district, a renewal or renovation district, a mined underground space development district, a housing district, a soils condition district, a *manufacturing district*, or an economic development district; if the proposed district is a redevelopment district or a renewal or renovation district, the reasons and supporting facts for the determination that the district meets the criteria of section 469.174, subdivision 10, paragraph (a), clauses (1) and (2), or subdivision 10a, must be retained and made available to the public by the authority until the district has been terminated.

(2) that the proposed development or redevelopment, in the opinion of the municipality, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

(3) that the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole.

(4) that the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the development or redevelopment of the project by private enterprise.

(5) that the municipality elects the method of tax increment computation set forth in section 469.177, subdivision 3, clause (b), if applicable.

*(6) in the case of a manufacturing district, that the use of tax increment financing is necessary either to retain a business that will expand within the municipality which would otherwise leave the state, or to induce a business to relocate to the municipality from another state.*

When the municipality and the authority are not the same, the municipality shall approve or disapprove the tax increment financing plan within 60 days of submission by the authority, or the plan shall be deemed approved. When the municipality and the authority are not the same, the municipality may not amend or modify a tax increment financing plan except as proposed by the authority pursuant to subdivision 4. Once approved, the determination of the authority to undertake the project through the use of tax increment financing and the resolution of the governing body shall be conclusive of the findings therein and of the public need for the financing.

Sec. 8. Minnesota Statutes 1992, section 469.176, subdivision 1, is amended to read:

Subdivision 1. [DURATION OF TAX INCREMENT FINANCING DISTRICTS.] (a) Subject to the limitations contained in paragraphs (b) to (g), any tax increment financing district as to which bonds are outstanding, payment for which the tax increment and other revenues have been pledged, shall remain in existence at least as long as the bonds continue to be outstanding. The municipality may, at the time of approval of the initial tax increment financing plan, provide for a shorter maximum duration limit than specified in paragraphs (b) to (g). The specified limit applies in place of the otherwise applicable limit.

(b) The tax increment pledged to the payment of the bonds and interest thereon may be discharged and the tax increment financing district may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or date of redemption and interest thereon to the maturity or redemption date.

(c) For bonds issued pursuant to section 469.178, subdivisions 2 and 3, the full faith and credit and any taxing powers of the municipality or authority shall continue to be pledged to the payment of the bonds until the principal of and interest on the bonds has been paid in full.

(d) No tax increment shall be paid to an authority for a tax increment financing district after three years from the date of certification of the original net tax capacity of the taxable real property in the district by the county auditor, unless within the three-year period (1) bonds have been issued in aid of the project containing the district pursuant to section 469.178, or any other law, except revenue bonds issued pursuant to sections 469.152 to 469.165, or (2) the authority has acquired property within the district, or (3) the authority has constructed or caused to be constructed public improvements within the district.

(e) No tax increment shall in any event be paid to the authority (1) after 25 years from date of receipt by the authority of the first tax increment for a mined underground space development district, redevelopment district, or housing district, (2) after 15 years after receipt by the authority of the first

increment for a renewal and renovation district, (3) after 12 years from approval of the tax increment financing plan for a soils condition district, and (4) after eight years from the date of the receipt, or ten years from approval of the tax increment financing plan, whichever is less, for an economic development district or a manufacturing district.

For tax increment financing districts created prior to August 1, 1979, no tax increment shall be paid to the authority after April 1, 2001, or the term of a nondefeased bond or obligation outstanding on April 1, 1990, secured by increments from the district or project area, whichever time is greater, provided that in no case will a tax increment be paid to an authority after August 1, 2009, from such a district. If a district's termination date is extended beyond April 1, 2001, because bonds were outstanding on April 1, 1990, with maturities extending beyond April 1, 2001, the following restrictions apply. No increment collected from the district may be expended after April 1, 2001, except to pay or defease (i) bonds issued before April 1, 1990, or (ii) bonds issued to refund the principal of the outstanding bonds and pay associated issuance costs, provided the average maturity of the refunding bonds does not exceed the bonds refunded.

(f) Modification of a tax increment financing plan pursuant to section 469.175, subdivision 4, shall not extend the durational limitations of this subdivision.

(g) If a parcel of a district is part of a designated hazardous substance site or a hazardous substance subdistrict, tax increment may be paid to the authority from the parcel for longer than the period otherwise provided by this subdivision. The extended period for collection of tax increment begins on the date of receipt of the first tax increment from the parcel that is more than any tax increment received from the parcel before the date of the certification under section 469.174, subdivision 7, paragraph (b), and received after the date of certification to the county auditor described in section 469.174, subdivision 7, paragraph (b). The extended period for collection of tax increment is the lesser of: (1) 25 years from the date of commencement of the extended period; or (2) the period necessary to recover the costs of removal actions or remedial actions specified in a development response action plan.

(h) If a parcel located in the district has delinquent property taxes when the district terminates under the duration limits under this subdivision, the payment of the parcel's delinquent taxes made after decertification of the district are tax increments to the extent the nonpayment of property taxes caused the outstanding bonds or contractual obligations pledged to be paid by the district to be paid by sources other than tax increments or to go unpaid. The county auditor shall pay the appropriate amount to the district. The authority shall provide the county auditor with information regarding the payment of outstanding bonds or contractual obligations and any other information necessary to administer the payment, as requested by the county auditor.

#### Sec. 9. [EFFECTIVE DATE.]

*Section 1 is effective for aids payable in 1993 and thereafter. Sections 2 to 8 are effective for districts certified after May 31, 1993.*

Delete the title and insert:

“A bill for an act relating to the financing of cleanup of polluted lands, and redevelopment; imposing a state tax on contaminated property; requiring deposit of the proceeds of the tax in an account to be used for cleanup and development of contaminated sites; creating a pollution abatement loan and grant program; authorizing municipalities to borrow funds for pollution abatement; authorizing and regulating the use of tax increment financing for pollution districts; authorizing establishment of guaranty or indemnification funds for contaminated parcels in pollution districts and permitting use of tax increments to provide money for the funds; modifying the computation of tax increments; reducing the maximum duration of redevelopment districts; providing means for operating manufacturing tax increment financing districts; appropriating money; amending Minnesota Statutes 1992, sections 273.11, subdivision 1, and by adding a subdivision; 273.1399, subdivision 1; 275.065, subdivision 3; 276.04, subdivision 2; 469.174, subdivision 9, and by adding subdivisions; 469.175, subdivisions 1, 3, and by adding a subdivision; 469.176, subdivisions 1, 4, and by adding a subdivision; 469.1763, by adding a subdivision; and 469.177, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 116J; 270; and 469.”

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. Merriam from the Committee on Finance, to which was referred

S.F. No. 1613: A bill for an act relating to the organization and operation of state government; appropriating money for the departments of labor and industry, public service, jobs and training, housing finance, and other purposes with certain conditions; establishing and modifying certain programs; providing penalties; amending Minnesota Statutes 1992, sections 16B.06, subdivision 2a; 116J.617; 116J.982; 179.02, by adding a subdivision; 239.011, subdivision 2; 239.10; 239.791, subdivisions 6 and 8; 268.022, subdivision 2; 268.12, subdivision 12; 268.975, subdivisions 3, 4, 6, 7, 8, and by adding subdivisions; 268.976, subdivision 2; 268.978, subdivision 1; 268.98; and 462A.21, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116J; 116M; 239; 268; and 462A; repealing Minnesota Statutes 1992, sections 116J.982, subdivisions 6a, 8, and 9; 239.05, subdivision 2c; 239.52; 239.78; 268.977; and 268.978, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 34, insert:

“\$5,000,000 the first year is for the Daedalus imaging systems project. This appropriation must not be allotted until the commissioner certifies that all information policy office requirements for this project have been met or will be met. This appropriation is available for either year of the biennium.”

Page 4, after line 37, insert:

“This appropriation is to be used solely to preserve assets of the corporation. The



commissioner of finance shall release this appropriation in the amount that the commissioner determines is necessary to preserve those assets."

Page 15, after line 38, insert:

"The total amount accumulated during the biennium ending June 30, 1993, for potential back pay of salary and benefit for an employee of the state auditor who was discharged from employment on April 15, 1991, but who is contesting the discharge, shall be carried forward by the office of the state auditor for use in the biennium ending June 30, 1995."

Page 44, delete lines 8 to 12

Page 44, line 13, delete "3" and insert "2"

Pages 48 to 51, delete section 3

Page 64, line 15, delete "21" and insert "20"

Renumber the sections of article 6 in sequence

Amend the title as follows:

Page 1, lines 11 and 12, delete "268.12, subdivision 12;"

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. 693: A bill for an act relating to natural resources; clarifying, modifying, and expanding rulemaking authority and other powers and duties of the commissioner of natural resources relating to game and fish, wild rice, stromatolites, and cross-country ski passes; clarifying, modifying, and expanding provisions relating to the taking, purchase, sale, possession, and transportation of wild animals; regulating entry and uses on certain public lands and waters; providing for the expiration of certain commissioner's orders; providing an exemption from rulemaking requirements; authorizing emergency rules; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 84.14, subdivision 3; 84.1525, subdivision 2; 85.41, subdivision 2; 85.45; 97A.045, subdivision 4, and by adding a subdivision; 97A.055, by adding a subdivision; 97A.091, subdivisions 1 and 2; 97A.095, subdivision 2; 97A.105, subdivision 1, and by adding a subdivision; 97A.137; 97A.255, subdivision 2; 97A.401, subdivision 4; 97A.415, subdivision 2; 97A.431, subdivisions 1 and 4; 97A.433, subdivisions 1 and 4; 97A.435, subdivision 4; 97A.441, by adding a subdivision; 97A.475, by adding a subdivision; 97A.485, subdivision 6, and by adding a subdivision; 97A.505, subdivision 5, and by adding a subdivision; 97A.535, subdivision 2; 97A.545, subdivisions 1, 2, 4, and by adding a subdivision; 97A.551, by adding a subdivision; 97B.425; 97B.671, subdivisions 1 and 2; 97B.711, subdivision 2, and by adding a subdivision; 97B.721; 97B.811, by adding a subdivision; 97C.025; 97C.051, subdivision 1; 97C.081, subdivi-

sions 2, 3, and by adding a subdivision; 97C.205; 97C.311; 97C.331; 97C.345, subdivision 4, and by adding a subdivision; 97C.391, subdivision 1; 97C.405; 97C.505, subdivision 1; 97C.601, subdivision 6; 97C.805, subdivisions 1, 2, and 4; and 97C.865; Laws 1991, chapter 259, section 24; proposing coding for new law in Minnesota Statutes, chapters 97A; 97B; and 97C.

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. 329: A bill for an act relating to human services; allocating money to the child care basic sliding fee program; amending Minnesota Statutes 1992, section 256H.03, subdivision 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete lines 7 to 22 and insert:

“Section 1. [BASIC SLIDING FEE ALLOCATION.]”

Page 1, line 23, delete “(d)” and insert “*Notwithstanding Minnesota Statutes 1992, section 256H.03, subdivision 4,*”

Page 2, line 1, delete “*paragraphs (a) to (c)*” and insert “*Minnesota Statutes, section 256H.03, subdivision 4*”

Page 2, line 10, delete “*this*” and insert “*that*”

Page 2, line 13, before “*section*” insert “*Minnesota Statutes,*”

Amend the title as follows:

Page 1, line 3, delete “; amending” and insert a period

Page 1, delete lines 4 and 5

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was referred

S.F. No. 1284: A bill for an act relating to the city of Garrison; establishing a dedicated fund to meet city expenses to pay for construction of a city sewer system; permitting a one percent local sales tax upon approval by the city council; providing for a sunset on the tax.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

“Section 1. Minnesota Statutes 1992, section 471.15, is amended to read:  
471.15 [RECREATIONAL FACILITIES.]

Any home rule charter or statutory city or any town, county, school district, or any board thereof, or any incorporated post of the American Legion or any

other incorporated veterans' organization, may expend not to exceed \$800 in any one year; for the purchase of awards and trophies and may operate a program of public recreation and playgrounds; acquire, equip, and maintain land, buildings, or other recreational facilities, including an outdoor or indoor swimming pool; and expend funds for the operation of such program pursuant to the provisions of sections 471.15 to 471.19. The city, town, county or school district may issue bonds pursuant to chapter 475 for the purpose of carrying out the powers granted by this section. The city, town, county or school district may operate the program and facilities directly or establish one or more recreation boards to operate all or various parts of them. *A home rule charter or statutory city, town, county, or school district may conduct a raffle, as defined in section 349.12, subdivision 33, without complying with sections 349.11 to 349.213, for the purpose of carrying out the powers granted by this section.*"

Page 1, line 18, after "construction" insert "and maintenance"

Page 1, line 21, delete from "Subd." through page 2, line 3, to "city."

Page 2, line 4, delete "4" and insert "3"

Page 2, line 16, delete "5" and insert "4"

Renumber the sections in sequence.

Amend the title as follows:

Page 1, line 2, delete "the city of Garrison" and insert "local government; providing for the use of raffles to provide funds for certain recreational property and facilities"

Page 1, line 3, after "fund" insert "in the city of Garrison"

Page 1, line 4, after "construction" insert "and maintenance"

Page 1, line 5, after "tax" insert "in the city of Garrison"

Page 1, line 6, before the period, insert "; amending Minnesota Statutes 1992, section 471.15"

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. 1208: A bill for an act relating to game and fish; limiting number of larger pike taken; amending Minnesota Statutes 1992, section 97C.401.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 97A.551, is amended by adding a subdivision to read:

*Subd. 4. [WALLEYE; NORTHERN PIKE.] Walleye and northern pike may be possessed, transported, or shipped in a dressed or undressed condition."*

Page 1, line 8, strike "COMMISSIONER AUTHORIZED TO PRESCRIBE"

Page 1, line 9, before "LIMITS" insert "COMMISSIONER AUTHORIZED TO PRESCRIBE"

Page 1, delete lines 13 to 16 and insert:

*"Subd. 2. [WALLEYE; NORTHERN PIKE.] (a) Except as provided in paragraphs (b) and (c), a person may take no more than one walleye larger than 20 inches and one northern pike larger than 30 inches daily.*

*(b) The restrictions in paragraph (a) do not apply to boundary waters except Lake of the Woods.*

*(c) On Lake of the Woods, a person may take no more than one walleye larger than 19.5 inches and one northern pike larger than 30 inches daily.*

**Sec. 3. [MINNESOTA-WISCONSIN BOUNDARY WATERS COMMERCIAL REGULATION; EXPERIMENTAL PROGRAM.]**

*Subdivision 1. [DEFINITION.] For the purposes of this section, "Minnesota-Wisconsin boundary waters" means those portions of the Mississippi river that form the boundary of the state of Minnesota and the state of Wisconsin, including all sloughs, backwaters, bays, and newly extended water areas in Minnesota lying east of the Chicago, Milwaukee, St. Paul, and Pacific railroad tracks.*

*Subd. 2. [SET LINES.] During the 1993, 1994, and 1995 seasons, licensed commercial operators may use up to eight set lines containing no more than 50 hooks on each line in Minnesota-Wisconsin boundary waters. The commissioner of natural resources shall study the impacts of this subdivision on both the resource and the industry and shall report to the legislature by January 15, 1996.*

*Subd. 3. [HOOP NETS; BAIT NETS.] (a) The commissioner of natural resources shall conduct a five-year study of the effect of the use of hoop nets and bait nets by licensed commercial operators in the Minnesota-Wisconsin boundary waters. As a part of the study the commissioner may issue up to five permits to licensed commercial operators for the use of hoop nets and bait nets. The permits must require that the net mesh have no smaller than a three-inch stretch measure and that the nets be lifted in compliance with the permit.*

*(b) Operators permitted under this subdivision must provide the commissioner of natural resources with all data requested by the commissioner, including data on:*

- (1) harvest temperature;*
- (2) season of harvest;*
- (3) species composition;*
- (4) period and frequency between lifting of nets; and*
- (5) population characteristics of the species taken.*

*(c) The commissioner of natural resources shall study the impacts of this subdivision on both the resource and the industry and shall report to the legislature by January 15, 1998."*

Page 1, line 18, delete "*This act*" and insert "*Section 2*" and after the period, insert "*Section 3 is effective the day following final enactment.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "allowing walleye and northern pike to be possessed and transported in a dressed or undressed condition; establishing an experimental program for commercial fishing in Minnesota-Wisconsin boundary waters;"

Page 1, line 3, delete "section" and insert "sections 97A.551, by adding a subdivision; and"

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

H.F. No. 1182: A bill for an act relating to state lands; providing for the release of a state interest in certain property in the city of Minneapolis.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 10, delete everything after "*purposes*" and insert a period

Page 1, delete lines 11 and 12 and insert:

*"As a condition of the release, the city must provide a new covenant that the land reverts to the state if it is not used for public purposes."*

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 450: A bill for an act relating to human services; authorizing an enhanced recoupment level in AFDC cases involving welfare fraud; integrating a client release as an inclusion in the combined application form; adding the food stamp program to the coverage of the financial transaction card fraud provision; creating and authorizing the use of commissioner's subpoenas; establishing the offense of food stamp trafficking; prescribing penalties; amending Minnesota Statutes 1992, sections 256.73, subdivision 8; 256.983, subdivision 3; 393.07, subdivision 10; and 609.821, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1992, section 256.985.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 6, delete "*serve as a*" and insert "*include an authorization for*"

Page 3, line 8, after the period, insert "*The authorization for release would be effective until six months after public assistance benefits have ceased.*"

Page 3, delete section 3 and insert:

“Sec. 3. Minnesota Statutes 1992, section 388.23, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] The county attorney, or any deputy or assistant county attorney whom the county attorney authorizes in writing, has the authority to subpoena and require the production of any records of telephone companies, cellular phone companies, paging companies, electric companies, gas companies, water utilities, chemical suppliers, hotels and motels, airlines, buses, taxis, and other entities engaged in the business of transporting people, and freight companies, warehousing companies, package delivery companies, and other entities engaged in the businesses of transport, storage, or delivery, and records of the existence of safe deposit box account numbers and customer savings and checking account numbers maintained by financial institutions and safe deposit companies, *insurance records relating to the monetary payment or settlement of claims, and wage and employment records of an applicant or recipient of public assistance who is the subject of a welfare fraud investigation relating to eligibility information for public assistance programs.* Subpoenas may only be issued for records that are relevant to an ongoing legitimate law enforcement investigation or *welfare fraud investigation and there is probable cause that a crime has been committed. This provision applies only to the records of business entities and does not extend to private individuals or their dwellings. Subpoenas may only be served by peace officers as defined by section 626.84, subdivision 1, paragraph (c).*”

Page 6, line 6, delete the comma

Page 7, line 14, delete “to 4, and 7” and insert “and 3”

Page 7, line 15, delete “5 and 6” and insert “4 to 7”

Page 7, line 16, delete “July” and insert “October”

Amend the title as follows:

Page 1, line 11, after “3;” insert “388.23, subdivision 1;”

Page 1, delete line 13

Page 1, line 14, delete “chapter 256;”

And when so amended the bill do pass and be re-referred to the Committee on Family Services. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was referred

H.F. No. 461: A bill for an act relating to local government; authorizing cities to offer rewards for information leading to the apprehension, arrest, or conviction of alleged felons; 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 1, line 13, delete “, arrest,” and insert “and charging”

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 340: A bill for an act relating to the military; entering into the National Guard mutual assistance counterdrug activities compact; proposing coding for new law in Minnesota Statutes, chapter 192.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Mr. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 34: A bill for an act relating to student exchange programs; regulating student exchange programs; imposing a penalty; proposing coding for new law as Minnesota Statutes, chapter 5A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, delete line 3

Page 2, line 4, delete "(c)" and insert "(b)"

Page 2, line 6, delete "(d)" and insert "(c)"

Page 3, line 3, delete everything after "(c)"

Page 3, line 13, delete "shall strive to" and insert "may"

Page 3, line 15, delete everything after "Travel"

Page 3, line 16, delete everything before the period

Page 3, line 26, after "\$50" insert "for each registration"

Page 3, line 27, after the period, insert "*Fees collected by the secretary of state under this provision shall be deposited in the state treasury and credited to the general fund.*"

Page 3, line 28, delete "The rules of" and delete "adopted under this"

Page 3, line 29, delete "section" and delete "include a requirement" and insert "require"

Page 3, line 31, delete "must" and delete "waiver"

Page 3, delete lines 32 to 36 and insert "*document complying with section 299C.62, subdivision 2, that gives the organization permission to conduct a background check on members of the host family. Sections 299C.60 to 299.64 apply to the background check, except that for purposes of this section the term "background check crime" includes any felony.*"

Page 4, delete line 1

Page 4, line 27, delete "violates" and insert "fails to register as required by"

Page 4, line 29, delete ", attorney general, or county prosecuting attorney"

Page 4, delete section 8 and insert:

“Sec. 8. Minnesota Statutes 1992, section 299C.61, subdivision 5, is amended to read:

Subd. 5. [CHILDREN’S SERVICE PROVIDER.] “Children’s service provider” means a business or organization, whether public, private, for profit, nonprofit, or voluntary, that provides children’s services; including a business or organization that licenses or certifies others to provide children’s services. “*Children’s service provider*” includes an international student exchange visitor placement organization under chapter 5A.

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 3, 5, 6, and 8, are effective January 1, 1994. Section 4 is effective the day following final enactment. Section 7 is effective January 1, 1994, and applies to crimes committed on or after that date.*”

Amend the title as follows:

Page 1, line 3, after the second semicolon, insert “amending Minnesota Statutes 1992, section 299C.61, subdivision 5;”

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Stumpf questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Ms. Reichgott from the Committee on Judiciary, to which was referred

H.F. No. 1420: A bill for an act relating to probate; providing for determination of reasonable compensation for certain guardians and conservators; changing provisions for guardians and conservators of certain institutionalized persons; amending Minnesota Statutes 1992, sections 525.54, subdivisions 1 and 3; 525.544, subdivision 2; 525.58, subdivision 4; and 525.703, subdivisions 2 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 re-referred

H.F. No. 163: A bill for an act relating to campaign reform; limiting noncampaign disbursements to items specified by law; requiring lobbyists and political committees and funds to include their registration number on contributions; prohibiting certain “friends of” committees; requiring reports by certain solicitors of campaign contributions; limiting use of contributions carried forward; requiring unused postage to be carried forward as an expenditure; requiring certain notices; changing contribution limits; limiting contributions by political parties; prohibiting transfers from one candidate to another, with certain exceptions; limiting contributions by certain political committees, funds, and individuals; eliminating public subsidies to unopposed candidates; providing for a public subsidy to match in-district contributions; clarifying filing requirements for candidate agreements and the duration of the agreements; requiring return of public subsidies under certain conditions; imposing contribution limits on candidates for local offices; prohibiting political contributions by certain nonprofit corporations and partnerships; requiring a report of candidates on whose behalf political contributions have been refunded by the state; defining certain terms; clarifying certain language; appropriating money; amending Minnesota Stat-



utes 1992, sections 10A.01, subdivision 10c, and by adding a subdivision; 10A.04, by adding a subdivision; 10A.065, subdivision 1; 10A.14, subdivision 2; 10A.15, by adding subdivisions; 10A.19, subdivision 1; 10A.20, subdivision 3, and by adding a subdivision; 10A.25, by adding subdivisions; 10A.27, subdivisions 1, 2, 9, and by adding subdivisions; 10A.31, subdivisions 6, 8, and by adding a subdivision; 10A.322, subdivisions 1 and 2; 10A.324, subdivisions 1 and 3; 211B.15; 290.06, subdivision 23; proposing coding for new law in Minnesota Statutes, chapters 10A; 211A; and 211B.

Reports the same back with the recommendation that the bill be amended as follows:

Amend the report from the Committee on Ethics and Campaign Reform, adopted by the Senate April 12, 1993, as follows:

Page 6, after line 36, insert:

“Sec. 13. Minnesota Statutes 1992, section 10A.20, subdivision 2, is amended to read:

Subd. 2. The reports shall be filed with the board on or before January 31 of each year and additional reports shall be filed as required and in accordance with clauses (a) and (b).

(a) In each year in which the name of the candidate is on the ballot, the report of the principal campaign committee shall be filed ten days before a primary and a general election, seven days before a special primary and a special election, and ~~30~~ ten days after a special election cycle. The report due after a special election may be filed on January 31 following the special election if the special election is held not more than 60 days before that date.

(b) In each general election year political committees and political funds other than principal campaign committees shall file reports ten days before a primary and general election.

If a scheduled filing date falls on a Saturday, Sunday or legal holiday, the filing date shall be the next regular business day.”

Page 10, line 35, strike “following” and insert “before”

Page 20, line 35, delete “\$200” and insert “\$100”

Page 21, line 2, delete “\$200” and insert “\$100”

Page 22, line 1, after the headnote, insert “(a)”

Page 22, after line 8, insert:

“(b) The amount necessary to make the payments required by this section is appropriated from the general fund to the board.”

Pages 32 and 33, delete section 45 and insert:

“Sec. 46. [APPROPRIATION.]

*Subdivision 1. \$1,904,000 is appropriated from the general fund to the agencies and for the purposes indicated in this section, to be available for the fiscal year ending June 30 in the years indicated.*

1994

1995

*Subd. 2. ETHICAL PRACTICES BOARD*

(a) *Public Subsidies under Minnesota Statutes, section 10A.312* 1,600,000

*This appropriation is available until June 30, 1995.*

(b) *Public Subsidies under Minnesota Statutes, section 10A.25, subdivisions 10 and 11* 200,000

*This appropriation is available until June 30, 1995.*

(c) *Administrative Costs* 35,000 30,000

*Subd. 3. DEPARTMENT OF REVENUE*

*Administrative Costs* 35,000 4,000''

Renumber the sections in sequence

Amend the title amendment as follows:

Page 34, line 1, delete "subdivision 3" and insert "subdivisions 2, 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was referred

H.F. No. 270: A bill for an act relating to the city of St. Paul; authorizing payment of refunds to the estates of certain deceased firefighters.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health Care, to which was referred

S.F. No. 900: A bill for an act relating to health; implementing recommendations of the Minnesota health care commission; defining and regulating integrated service networks; requiring regulation of all health care services not provided through integrated service networks; establishing data reporting and collection requirements; establishing other cost containment measures; providing for voluntary public commitments by health plans and providers to limit the rate of growth in total revenues; requiring certain studies; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 62A.021, subdivision 1; 62A.65; 62C.16, by adding a subdivision; 62E.02, subdivision 23; 62E.10, subdivisions 1 and 3; 62E.11, subdivision 12; 62J.03, subdivisions 6, 8, and by adding a subdivision; 62J.04, subdivisions 1, 2, 3, 4, 5, 7, and by adding a subdivision; 62J.05, by adding a subdivision; 62J.09, subdivisions 2, 5, 8, and by adding a subdivision; 62J.15, subdivisions 1 and 2; 62J.17, subdivision 2, and by adding subdivisions; 62J.23, by adding a subdivision; 62J.30, subdivisions 1, 6, 7, and 8; 62J.32, subdivision 4; 62J.33; 62J.34, subdivisions 2 and 3;

62L.02, subdivisions 16, 26, and 27; 62L.03, subdivisions 3 and 4; 62L.04, subdivision 1; 62L.05, subdivisions 4 and 6; 62L.09, subdivision 1; 136A.1355, subdivisions 1, 3, 4, and by adding a subdivision; 136A.1356, subdivisions 2 and 5; 136A.1357, subdivisions 1 and 4; 137.38, subdivisions 2, 3, and 4; 137.39, subdivisions 2 and 3; 137.40, subdivision 3; 144.1484, subdivisions 1 and 2; 144.335, by adding a subdivision; 169.685, subdivision 5; 169.686, subdivision 1; 214.16, subdivision 3; 256.9351, subdivision 3; 256.9353; 256.9354, subdivisions 1 and 4; 256.9356, subdivisions 1 and 2; 256.9357, subdivision 1; 256.9657, subdivision 3; 256B.057, subdivision 1, and by adding a subdivision; 295.50, subdivisions 3, 4, 7, 14, and by adding subdivisions; 295.51, subdivision 1; 295.52, by adding subdivisions; 295.53, subdivisions 1 and 2; 295.55, subdivision 4; 295.57; 295.58; and 295.59; proposing coding for new law in Minnesota Statutes, chapters 16B; 62J; 137; 256; and 295; proposing coding for new law as Minnesota Statutes, chapters 62N; and 62O; repealing Minnesota Statutes 1992, sections 62J.17, subdivisions 4, 5, and 6; 62J.29; 62L.09, subdivision 2; 295.50, subdivisions 5 and 10; and 295.51, subdivision 2; Laws 1992, chapter 549, article 9, section 19, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 2 to 30, delete sections 1 to 31 and insert:

“Section 1. Minnesota Statutes 1992, section 62J.04, is amended by adding a subdivision to read:

*Subd. 8. [IMPLEMENTATION PLAN.] (a) The commissioner, in consultation with the commission, shall develop and submit to the legislature and the governor by January 15, 1994, a detailed implementation plan, including proposed rules and legislation, to implement the cost containment plan recommended by the commission as described in the summary report of the commission issued on January 25, 1993, as further modified by this act. The goal of the implementation plan must be to allow integrated service networks to form beginning July 1, 1994, and to begin a phased-in implementation of an all-payor system over a two-year period beginning July 1, 1994.*

*(b) To ensure a wide range of choices for purchasers, consumers, and providers, the rules and legislation must encourage and facilitate the formation of locally controlled integrated service networks, in addition to networks sponsored by statewide health plan companies.*

*(c) Financial solvency, net worth, and reserve requirements for integrated service networks must facilitate the formation of new networks, including networks sponsored by providers, employers, community organizations, local governments, and other locally based organizations, while protecting enrollees from undue risk of financial insolvency. The rules and legislation may authorize alternative financial solvency, net worth, and reserve requirements for networks sponsored by providers that are based on the capacity and ability of the participating providers to serve enrollees, provided the requirements are based on sound actuarial, financial, and accounting principles.*

*(d) The implementation plan must include technical assistance and financial assistance to promote the creation of locally controlled networks to serve rural areas and special populations. The commissioner and the commission shall consider including in the implementation plan the establishment of a management cooperative that will provide planning, organization, adminis-*

tration, billing, legal, and support services to integrated service networks that are members of the cooperative.

(e) *The implementation plan must address problems of provider recruitment and retention in rural areas. Rules and legislation must be designed to improve the ability of rural communities to maintain an effective local delivery system.*

(f) *The implementation plan must include a method to create an option for health care providers and health care plans who meet or fall below the limits set by the commissioner under section 62J.04 to obtain a waiver from the applicability of the all-payor rules.*

## Sec. 2. [62N.01] [CITATION AND PURPOSE.]

*Subdivision 1. [CITATION.] Sections 62N.01 to 62N.16 may be cited as the "Minnesota integrated service network act."*

*Subd. 2. [PURPOSE.] Sections 62N.01 to 62N.16 allow the creation of integrated service networks that will be responsible for arranging for or delivering a full array of health care services, from routine primary and preventive care through acute inpatient hospital care, to a defined population for a fixed price from a purchaser.*

*Each integrated service network is accountable to keep its total revenues within the limit of growth set by the commissioner of health under section 62N.05, subdivision 2, clause (1). Integrated service networks can be formed by health care providers, health maintenance organizations, insurance companies, employers, or other organizations. Competition between integrated service networks on the quality and price of health care services is encouraged.*

## Sec. 3. [62N.02] [DEFINITIONS.]

*Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 62N.01 to 62N.16.*

*Subd. 2. [COMMISSION.] "Commission" means the health care commission established under section 62J.05.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of health or the commissioner's designated representative.*

*Subd. 4. [ENROLLEE.] "Enrollee" means an individual, including a member of a group, to whom a network is obligated to provide health services under this chapter.*

*Subd. 5. [HEALTH PLAN.] "Health plan" means a health plan as defined in section 62A.011, subdivision 3, or coverage by an integrated service network.*

*Subd. 6. [INTEGRATED SERVICE NETWORK.] "Integrated service network" means a formal arrangement permitted by this chapter and licensed by the commissioner for providing health services under this chapter to enrollees for a fixed payment per time period.*

*Subd. 7. [NETWORK.] "Network" means an integrated service network as defined in subdivision 6.*

## Sec. 4. [62N.03] [APPLICABILITY OF OTHER LAW.]

Chapters 60A, 60B, 60G, 61A, 61B, 62A, 62C, 62D, 62E, 62H, 62L, 62M, and 64B do not, except as expressly provided in this chapter or in those other chapters, apply to integrated service networks, or to entities otherwise subject to those chapters, with respect to participation by those entities in integrated service networks. Chapters 72A and 72C apply to integrated service networks, except as otherwise expressly provided in this chapter.

Integrated service networks are in "the business of insurance" for purposes of the federal McCarren-Ferguson Act, United States Code, title 15, section 1012, are "domestic insurance companies" for purposes of the federal Bankruptcy Reform Act of 1978, United States Code, title 11, section 109, and are "insurance" for purposes of the federal Employee Retirement Income Security Act, United States Code, title 29, section 1144.

Sec. 5. [62N.04] [REGULATION.]

Integrated service networks are under the supervision of the commissioner, who shall enforce this chapter. The commissioner has, with respect to this chapter, all enforcement and rulemaking powers available to the commissioner under section 62D.17.

Sec. 6. [62N.05] [RULES GOVERNING INTEGRATED SERVICE NETWORKS.]

Subdivision 1. [RULES.] The commissioner, in consultation with the commission, may adopt emergency and permanent rules to establish more detailed requirements governing integrated service networks in accordance with this chapter.

Subd. 2. [REQUIREMENTS.] The commissioner shall include in the rules, requirements that will ensure that the annual rate of growth of an integrated service network's aggregate total revenues received from purchasers and enrollees, after adjustments for changes in population size and risk, does not exceed the growth limit established in section 62J.04. The commissioner may include in the rules the following:

(1) requirements for licensure, including a fee for initial application and an annual fee for renewal;

(2) quality standards;

(3) requirements for availability and comprehensiveness of services;

(4) limitations on additional health care services beyond those included in the standard set of benefits;

(5) requirements regarding the defined population to be served by an integrated service network;

(6) requirements for open enrollment;

(7) provisions for incentives for networks to accept as enrollees individuals who have high risks for needing health care services and individuals and groups with special needs;

(8) prohibitions against disenrolling individuals or groups with high risks or special needs;

(9) requirements that an integrated service network provide to its enrollees information on coverage, including any limitations on coverage, deductibles

and copayments, optional services available and the price or prices of those services, any restrictions on emergency services and services provided outside of the network's service area, any responsibilities enrollees have, and describing how an enrollee can use the network's enrollee complaint resolution system;

- (10) requirements for financial solvency and stability;
- (11) a deposit requirement;
- (12) financial reporting and examination requirements;
- (13) limits on copayments and deductibles;
- (14) mechanisms to prevent and remedy unfair competition;
- (15) provisions to reduce or eliminate undesirable barriers to the formation of new integrated service networks;
- (16) requirements for maintenance and reporting of information on costs, prices, revenues, volume of services, and outcomes and quality of services;
- (17) a provision allowing an integrated service network to set credentialing standards for practitioners employed by or under contract with the network;
- (18) a requirement that an integrated service network employ or contract with practitioners and other health care providers, and minimum requirements for those contracts if the commissioner deems requirements to be necessary to ensure that each network will be able to control expenditures and revenues or to protect enrollees and potential enrollees;
- (19) provisions regarding liability for medical malpractice;
- (20) a method or methods to facilitate and encourage the appropriate provision of services by midlevel practitioners and pharmacists;
- (21) provisions regarding permissible and impermissible underwriting criteria applicable to the standard set of benefits;
- (22) a method or methods to ensure that all integrated service networks are subject to the same regulatory requirements. All health carriers, including health maintenance organizations, insurers, and nonprofit health service plan corporations shall be regulated under the same rules, to the extent that the health carrier is operating an integrated service network or is a participating entity in an integrated service network;
- (23) provisions for appropriate risk adjusters or other methods to prevent or compensate for adverse selection of enrollees into or out of an integrated service network; and
- (24) other provisions that the commissioner, in consultation with the Minnesota health care commission, considers reasonable.

Subd. 3. [CRITERIA FOR RULEMAKING.] (a) [APPLICABILITY.] The commissioner shall adopt rules governing integrated service networks based on the criteria and objectives specified in this subdivision.

(b) [COMPETITION.] The rules must encourage and facilitate competition through the collection and distribution of reliable information on the cost, prices, and quality of each integrated service network in a manner that allows comparisons between networks.

(c) [FLEXIBILITY.] *The rules must allow significant flexibility in the structure and organization of integrated service networks. The rules must allow and facilitate the formation of networks by providers, employers, and other organizations, in addition to health carriers and health maintenance organizations.*

(d) [EXPANDING ACCESS AND COVERAGE.] *The rules must be designed to expand access to health care services and coverage for all Minnesotans, including individuals and groups who have preexisting health conditions, who represent a higher risk of requiring treatment, who require translation or other special services to facilitate treatment, who face social or cultural barriers to obtaining health care, or who for other reasons face barriers to access to health care and coverage. Enrollment standards must ensure that high risk and special needs populations will be included and growth limits and payment systems must be designed to provide incentives for networks to enroll even the most challenging and costly groups and populations. The rules must be consistent with the principles of health insurance reform that are reflected in Laws 1992, chapter 549.*

(e) [ABILITY TO BEAR FINANCIAL RISK.] *The rules must allow a variety of options for integrated service networks to demonstrate their ability to bear the financial risk of serving their enrollees, to facilitate diversity and innovation and the entry into the market of new networks. The rules must allow the phasing in of reserve requirements and other requirements relating to financial solvency.*

(f) [PARTICIPATION OF PROVIDERS.] *The rules must not require providers to participate in an integrated service network and must allow providers to participate in more than one network and to serve both patients who are covered by an integrated service network and patients who are not. The rules must allow significant flexibility for an integrated service network and providers to define and negotiate the terms and conditions of provider participation. The rules must encourage and facilitate the participation of midlevel practitioners, allied health care practitioners, and pharmacists, and eliminate inappropriate barriers to their participation. The rules must encourage and facilitate the participation of disproportionate share providers in integrated service networks and eliminate inappropriate barriers to this participation.*

(g) [RURAL COMMUNITIES.] *The rules must permit a variety of forms of integrated service networks to be developed in rural areas in response to the needs, preferences, and conditions of rural communities utilizing, to the greatest extent possible, existing health care providers and hospitals.*

(h) [LIMITS ON GROWTH.] *The rules must include provisions to enable the commissioner to enforce the limits on growth in health care total revenues for each integrated service network and for the entire system of integrated service networks.*

(i) [STANDARD BENEFIT SET.] *The commission shall make recommendations to the commissioner regarding a standard benefit set.*

(j) [CONFLICT OF INTEREST.] *The rules shall include provisions the commissioner deems necessary and appropriate to address integrated service networks' and participating providers' relationship to section 62J.23 or other laws relating to provider conflicts of interest.*

**Sec. 7. [62N.06] [PERMITTED NETWORK STRUCTURE.]**

*Subdivision 1. [SEPARATE ORGANIZATION REQUIRED.] An integrated service network must be organized as a separate not for profit corporation under chapter 317A or as a cooperative under chapter 308A.*

*Subd. 2. [GOVERNMENT EXEMPTION.] A political subdivision may operate an integrated service directly, without forming a chapter 317A corporation. Unless otherwise specified, an integrated service network formed by a political subdivision must comply with all other provisions regarding integrated service networks.*

*Subd. 3. [SEPARATE ACCOUNTING REQUIRED.] A corporation operating more than one integrated service network must maintain separate accounting and record keeping procedures, acceptable to the commissioner, for each integrated service network.*

**Sec. 8. [62N.065] [ADMINISTRATIVE COST CONTAINMENT.]**

*Subdivision 1. [UNREASONABLE EXPENSES.] No integrated service network shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.*

*Subd. 2. [DATA ON PAYMENTS.] Integrated service networks shall keep on file in the offices of the integrated service network data on the payments, salaries, and other remuneration paid to for-profit firms, affiliates, or to persons, for administrative expenses, service contracts, and management of the integrated service network and shall make it available to the commissioner.*

*Subd. 3. [DISAPPROVAL OF CONTRACTS.] The commissioner shall review all payments, administrative contracts, service contracts, and other agreements to determine the reasonableness of the cost of the contracts or agreements and effect of the contracts or agreements on the price of the integrated service network to enrollees. If the commissioner determines that a contract or agreement is not reasonable, the commissioner shall disapprove the contract or agreement. The commissioner may request any information that is necessary to determine if costs are reasonable.*

**Sec. 9. [62N.07] [PURPOSE.]**

*The legislature finds that previous cost containment efforts have focused on reducing benefits and services, eliminating access to certain provider groups, and otherwise reducing the level of care available. Under a system of overall spending controls, these cost containment approaches will, in the absence of controls on cost shifting, shift costs from the payor to the consumer, to government programs, and to providers in the form of uncompensated care. The legislature further finds that the integrated service network benefit package should be designed to promote coordinated, cost-effective delivery of all health services an enrollee needs without cost shifting. The legislature further finds that affordability of health coverage is a high priority and that lower cost coverage options should be made available through the use of copayments, coinsurance, and deductibles to reduce premium costs rather than through the exclusion of services or providers.*

**Sec. 10. [62N.075] [COVERED SERVICES.]**



(a) An integrated service network must provide to each person enrolled a set of appropriate and necessary health services. For purposes of this chapter, "appropriate and necessary" means services needed to maintain the enrollee in good health including as a minimum, but not limited to, emergency care, inpatient hospital and physician care, outpatient health services, preventative health services, and preventative and basic restorative dental services. The commissioner may modify this definition to reflect changes in community standards, development of practice parameters, new technology assessments, and other medical innovations. These services must be delivered by authorized practitioners acting within their scope of practice. An integrated service network is not responsible for health services that are not appropriate and necessary.

(b) A network may define benefit levels through the use of consumer cost sharing but remains financially accountable for the cost of the set of required health services.

(c) A network may offer any Medicare supplement, Medicare select, or other Medicare-related product otherwise permitted for any type of health plan in this state. Each Medicare-related product may be offered only in full compliance with the requirements in chapters 62A, 62D, and 62E that apply to that category of product.

(d) Networks must comply with all continuation and conversion of coverage requirements applicable to health maintenance organizations under state or federal law.

(e) Networks must comply with sections 62A.047, 62A.27, and any other coverage of newborn infants, dependent children who do not reside with a covered person, handicapped children and dependents, and adopted children. A network providing dependent coverage must comply with section 62A.302.

(f) Networks must comply with the equal access requirements of section 62A.15, subdivision 2.

#### Sec. 11. [62N.08] [AVAILABILITY OF SERVICES.]

(a) An integrated service network is financially responsible to provide to each person enrolled all appropriate and necessary health services required by statute, by the contract of coverage, or otherwise required under sections 62N.075 to 62N.085.

(b) The commissioner shall require that networks provide all appropriate and necessary health services within a reasonable geographic distance for enrollees. The commissioner may adopt rules providing a more detailed requirement, consistent with this paragraph.

#### Sec. 12. [62N.085] [ESTABLISHMENT OF STANDARDIZED BENEFIT PLANS.]

The commissioner of health shall adopt permanent rules and may adopt emergency rules to establish not more than five standardized benefit plans which must be offered by integrated service networks. The plans must comply with the requirements of sections 62N.07 to 62N.08 and the other requirements of this chapter. The plans must encompass a range of cost sharing options from (1) lower premium costs combined with higher enrollee cost sharing, to (2) higher premium costs combined with lower enrollee cost sharing.

Sec. 13. [62N.086] [ADDITIONAL BENEFIT OPTIONS.]

*The commissioner of health shall adopt permanent rules and may adopt emergency rules to establish not more than three standardized benefit riders which may be offered by integrated service networks. An integrated service network may not provide benefit options other than the standard benefit package and one or more of the standardized riders.*

Sec. 14. [62N.087] [COST SHARING.]

*(a) A network may define benefit levels through the use of consumer cost sharing. For the purposes of this chapter, "consumer cost sharing" means copayments, deductibles, coinsurance, and other out-of-pocket expenses paid by the individual consumer of health care services.*

*(b) The following principles apply to cost sharing in an integrated service network:*

*(1) consumers must have a voice in decisions regarding cost sharing, and the process for establishing consumer cost sharing should have consumer representation and input;*

*(2) consumer cost sharing must be administratively feasible and consistent with efforts to reduce the overall administrative burden of the health care system;*

*(3) cost sharing must be based on income and an enrollee's ability to pay for services and should not create a barrier to access to appropriate and effective services;*

*(4) cost sharing must be capped at a predetermined annual limit to protect individuals and families from financial catastrophe and to protect individuals with substantial health care needs;*

*(5) child health supervision services, immunizations, prenatal care, and other prevention services must not be subjected to cost sharing;*

*(6) additional requirements for networks should be established to assist enrollees for whom an inducement in addition to the elimination of cost sharing is necessary in order to encourage them to use cost-effective preventive services. These requirements may include the provision of educational information, assistance or guidance, and opportunities for responsible decision making by enrollees that minimize potential out-of-pocket costs;*

*(7) cost-sharing requirements and benefit or service limitations for outpatient mental health services must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for outpatient medical services; and*

*(8) cost-sharing requirements and benefit or service limitations for inpatient hospital mental health services must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for inpatient hospital medical services.*

Sec. 15. [62N.10] [LICENSING.]

*Subdivision 1. [REQUIREMENTS.] All integrated service networks must be licensed by the commissioner. Licensure requirements are:*

(1) the ability to be responsible for the full continuum of required health care and related costs for the defined population that the integrated service network will serve;

(2) the ability to satisfy standards for quality of care;

(3) financial solvency; and

(4) the ability to fully comply with this chapter and all other applicable law.

The commissioner may adopt rules to specify licensure requirements for integrated service networks in greater detail, consistent with this subdivision.

Subd. 2. [FEES.] Licensees shall pay an initial fee of \$..... and a renewal fee of \$..... each following year to the commissioner of health.

Subd. 3. [LOSS OF LICENSE.] The commissioner may fine a licensee or suspend or revoke a license for violations of rules or statutes pertaining to integrated service networks.

Subd. 4. [PARTICIPATION; GOVERNMENT PROGRAMS.] The commissioner shall develop recommendations that include mechanisms requiring integrated service networks to participate in the medical assistance, general assistance medical care, and MinnesotaCare programs.

Subd. 5. [APPLICATION.] Each application for an integrated service network license must be in a form prescribed by the commissioner.

Subd. 6. [DOCUMENTS ON FILE.] A network shall agree to retain in its files any documents specified by the commissioner. A network shall permit the commissioner to examine those documents at any time and shall promptly provide copies of any of them to the commissioner upon request.

#### Sec. 16. [62N.11] [EVIDENCE OF COVERAGE.]

Subdivision 1. [APPLICABILITY.] Every integrated service network enrollee residing in this state is entitled to evidence of coverage or contract. The integrated service network or its designated representative shall issue the evidence of coverage or contract. The commissioner shall adopt rules specifying the requirements for contracts and evidence of coverage. "Evidence of coverage" means evidence that an enrollee is covered by a group contract issued to the group.

Subd. 2. [FILING.] No evidence of coverage or contract or amendment of coverage or contract shall be issued or delivered to any individual in this state until a copy of the form of the evidence of coverage or contract or amendment of coverage or contract has been filed with and approved by the commissioner.

#### Sec. 17. [62N.12] [ENROLLEE RIGHTS.]

The cover page of the evidence of coverage and contract must contain a clear and complete statement of an enrollee's rights as a consumer. The commissioner shall adopt rules specifying enrollee rights and required disclosures to enrollees.

#### Sec. 18. [62N.13] [ENROLLEE COMPLAINT SYSTEM.]

Every integrated service network must establish and maintain an enrollee complaint system, including an impartial arbitration provision, to provide reasonable procedures for the resolution of written complaints initiated by

*enrollees concerning the provision of health care services. The commissioner shall adopt rules specifying requirements relating to enrollee complaints.*

**Sec. 19. [62N.16] [UNDERWRITING AND RATING.]**

*Subdivision 1. [APPLICABILITY.] Except as provided in subdivision 3, this section applies to the standard benefit plans under section 62N.085 and does not apply to supplemental coverage described in section 62N.086. This section does not require coverage by an integrated service network of any group or individual residing outside of the network's service area. A network's service area includes a geographic service region agreed to by the commissioner and the network at the time of licensure. This section does not apply to any group that the commissioner determines is organized or functions primarily to provide coverage to one or more high risk individuals. The commissioner may adopt rules specifying other types of groups to which this section does not apply.*

*Subd. 2. [GROUP MEMBERS.] Integrated service networks shall charge the same rate for each individual in a group, except as appropriate to provide dependent or family coverage. Rates for managed care plans as described in section 256.9363 shall be determined through contract between the department of human services and the integrated service network.*

*Subd. 3. [SMALL EMPLOYERS.] To provide services to employees of a small employer as defined in section 62L.02, integrated service networks shall comply with chapter 62L.*

*Providers may contract with an integrated service network to provide all or a portion of the services that an integrated service network must provide. Providers may choose not to participate in an integrated service network, may participate in more than one integrated service network, or may simultaneously serve both integrated service network enrollees and regulated all-payor system patients.*

**Sec. 20. Minnesota Statutes 1992, section 256.9657, subdivision 3, is amended to read:**

**Subd. 3. [HEALTH MAINTENANCE ORGANIZATION; INTEGRATED SERVICE NETWORK SURCHARGE.]** Effective October 1, 1992, each health maintenance organization with a certificate of authority issued by the commissioner of health under chapter 62D and each integrated service network licensed by the commissioner under sections 62N.01 to 62N.16 shall pay to the commissioner of human services a surcharge equal to six-tenths of one percent of the total premium revenues of the health maintenance organization or integrated service network as reported to the commissioner of health according to the schedule in subdivision 4.

**Sec. 21. [BORDER COMMUNITIES.]**

*The commissioner of health shall monitor the effects of integrated service networks and the regulated all-payor system in communities in which a substantial proportion of health care services provided to Minnesota residents are provided in states bordering Minnesota and may amend the rules adopted under article 1 or 2 to minimize effects that inhibit Minnesota residents' ability to obtain access to quality health care. The commissioner shall report to the Minnesota health care commission and the legislature any effects that the commissioner intends to address by amendments to the rules adopted under article 1 or 2.*

**Sec. 22. [ASSOCIATIONS STUDY.]**

*The health care commission shall study the role of associations in purchasing health care. The health care commission shall determine the role that associations should play in allowing purchasers to cooperate in purchasing health care. The health care commission shall determine the role associations may play in the small group and integrated service network markets. The health care commission shall report to the legislature by January 15, 1994.*

**Sec. 23. [PHARMACY SERVICES STUDY.]**

*The Minnesota health care commission shall study whether an integrated service network should be required to provide to each enrollee access to pharmacy services that includes, but is not limited to:*

- (1) a review of the enrollee's drug therapy to:
  - (i) ensure use of appropriate prescription drugs;*
  - (ii) ensure safe and appropriate dosage;*
  - (iii) limit the potential for drug interactions and adverse reactions; and*
  - (iv) discourage the presence of duplicate or unnecessary drug therapy;**
- (2) provision of objective and unbiased drug information to enrollees and to other providers; and*
- (3) appropriate follow-up care for prescription drug therapy.*

*The commission must report to the legislature its findings.*

**Sec. 24. [EFFECTIVE DATE.]**

*Sections 1 to 23 are effective the day following final enactment."*

*Pages 32 to 34, delete sections 3 and 4 and insert:*

**"Sec. 3. [62O.04] [EXPENDITURE LIMITS FOR HEALTH CARRIERS.]**

*Subdivision 1. [DEFINITION.] (a) For purposes of this section, the following definitions apply.*

*(b) "Health carrier" has the definition provided in section 62A.011.*

*(c) "Total expenditures" mean incurred claims or expenditures on health care services, plus administrative expenses.*

*Subd. 2. [ESTABLISHMENT.] The commissioner of health shall establish expenditure limits for total expenditures by health carriers, for calendar years 1994 and 1995. The expenditure limits must be consistent with and developed as part of the annual rate of growth in health care spending established under section 62J.04, subdivision 1.*

*Subd. 3. [DETERMINATION OF EXPENDITURES.] Health carriers shall submit to the commissioner of health, by April 1, 1994, for calendar year 1993, and by April 1, 1995, for calendar year 1994, all information the commissioner determines to be necessary to implement and enforce this section. The information must be submitted in the form specified by the commissioner. The information must include, but is not limited to, expendi-*

tures per member per month or cost per employee per month, and detailed information on revenues and reserves. The commissioner, to the extent possible, shall coordinate the submittal of the information required under this section with the submittal of the financial data required under chapter 62J, to minimize the administrative burden on health carriers. Health carriers may adjust final expenditure figures for demographic changes, risk selection, changes in basic benefits, and legislative initiatives that materially change health care costs, as long as these adjustments are approved in advance by the commissioner as actuarially justified and consistent with the methodology and assumptions used by the health carrier. The methodology to be used for adjustments must be submitted to the commissioner by September, 1, 1993.

*Subd. 4. [MONITORING OF RESERVES.]* The commissioner of health shall monitor health carrier reserves, to ensure that savings resulting from the establishment of expenditure limits are passed on to consumers in the form of lower premium rates. The commissioner shall establish the following upper and lower limits on health carrier reserves:

(a) All health carriers, except those licensed under chapter 60A to sell accident and sickness insurance under chapter 62A, whose volume was \$50 million or over during the most recent calendar year must maintain a reserve of at least 8-1/3 percent but not greater than 16-2/3 percent of the sum of all health service claims incurred, plus administrative expenses in connection therewith, during the most current calendar year.

(b) All health carriers, except those licensed under chapter 60A to sell accident and sickness insurance under chapter 62A whose volume was under \$50 million during the most recent calendar year must maintain a reserve of at least 16-2/3 percent but not greater than 25 percent of the sum of all health service claims incurred, plus administrative expenses in connection therewith, during the most current calendar year.

(c) Health carriers licensed under chapter 60A to sell accident and sickness insurance under chapter 62A shall fully reflect in the premium rates the savings generated by the expenditure limits and the health care provider revenue limits. No premium rate increase may be approved for those health carriers unless the health carrier establishes to the satisfaction of the commissioner of commerce, that the proposed new rate would comply with this paragraph.

*Subd. 5. [NOTICE.]* The commissioner of health shall publish in the State Register and make available to the public, by May 1, 1995, a list of all health carriers that exceeded their expenditure target for the 1994 calendar year. The commissioner shall publish in the State Register and make available to the public, by May 1, 1996, a list of all health carriers that exceeded their combined expenditure target for calendar years 1994 and 1995. The commissioner shall notify each health carrier that the commissioner has determined that the carrier exceeded its expenditure target, at least 30 days before publishing the list, and shall provide each carrier with 10 days to provide an explanation for exceeding the expenditure target. The commissioner shall review the explanation, and may change a determination if the commissioner determines the explanation to be valid.

*Subd. 6. [ASSISTANCE BY THE COMMISSIONER OF COMMERCE.]* The commissioner of commerce shall provide assistance to the commissioner of health in monitoring health carriers regulated by the commissioner of

commerce. The commissioner of commerce, in consultation with the commissioner of health, shall enforce compliance by those health carriers.

Subd. 7. [ENFORCEMENT.] The commissioners of health and commerce shall enforce the reserve limits established in subdivision 4, with respect to the health carriers that each commissioner respectively regulates. Each commissioner shall require health carriers under the commissioner's jurisdiction to submit plans of corrective action when the reserve requirement is not met. Each commissioner has under this section all enforcement and rulemaking authority that the commissioner otherwise has with respect to the health carrier. Carriers that exceed the expenditure limits based on two-year average expenditure data shall be required by the appropriate commissioner to pay back the amount overspent through an assessment on the carrier. The appropriate commissioner may approve a different repayment method to take into account the carrier's financial condition.

Subd. 8. [STUDY.] The commissioner of commerce shall study and report to the legislature, no later than December 15, 1993, as to whether the concept of a reserves corridor for purposes of monitoring revenues is adaptable for use with indemnity health insurers that do business in multiple states and that must comply with their domiciliary state's reserves requirement.

Sec. 4. [62O.05] [HEALTH CARE PROVIDER REVENUE LIMITS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "health care provider" has the definition given in section 62J.03, subdivision 8.

Subd. 2. [ESTABLISHMENT.] The commissioner of health shall establish revenue limits for health care providers, for calendar years 1994 and 1995. The revenue limits must be consistent with and developed as part of the annual limits on the rate of growth in health care spending established under section 62J.04, subdivision 1.

Subd. 3. [MONITORING OF REVENUE.] The commissioner of health shall monitor health care provider revenue, to ensure that savings resulting from the establishment of revenue limits are passed on to consumers in the form of lower charges. The commissioner shall monitor hospital revenue by examining revenue per adjusted admission. The commissioner shall monitor the revenue of physicians and other health care providers by examining revenue per patient per year or revenue per encounter. If this information is not available, the commissioner may enforce an annual limit on the rate of growth of the provider's current fees based on the limits on the rate of growth established for calendar years 1994 and 1995.

Subd. 4. [MONITORING AND ENFORCEMENT.] Health care providers shall submit to the commissioner of health, in the form and at the times required by the commissioner, all information the commissioner determines to be necessary to implement and enforce this section. Health care providers shall submit to audits conducted by the commissioner. The commissioner shall audit all health clinics employing or contracting with over 100 physicians. The commissioner shall also audit a sample of smaller clinics, hospitals, and other health care providers. The commissioner shall recover the amount overspent during a calendar year, by health care providers not subject to fee limits established by the commissioner, during the following calendar year. The commissioner may approve a different repayment schedule for a health care provider, that takes into account the provider's financial condition. For those providers subject to fee limits established by the commissioner, the

*commissioner may adjust the percentage increase in the fee schedule to account for changes in utilization, and may also recover overspending by other methods."*

Renumber the sections of article 2 in sequence

Page 51, delete section 1

Renumber the sections of article 5 in sequence

Page 57, after line 21, insert:

**"Sec. 2. [62A.095] [DISCLOSURE OF METHODS USED BY HEALTH PLANS TO DETERMINE USUAL AND CUSTOMARY FEES.]**

*(a) A health carrier or health plan which bases reimbursement to health care providers upon a usual and customary fee must maintain in its offices a copy of a description of the methodology used to calculate fees including at least the following:*

*(1) the frequency of the determination of usual and customary fees;*

*(2) a general description of the methodology used to determine usual and customary fees; and*

*(3) the percentile of usual and customary fees that determines the maximum allowable reimbursement.*

*(b) A health carrier or health plan must provide a copy of the information described in paragraph (a) to a provider, group purchaser, or enrollee upon request.*

*(c) At the request of a provider, group purchaser, or enrollee, the commissioners of health and commerce may require health carriers and health plans to provide the information required under this section and may use any powers granted under other laws relating to the regulation of health carriers and health plans to enforce compliance.*

*(d) For purposes of this section, "health carrier" and "health plan" have the meanings given in section 62A.011, and "group purchaser" has the meaning given in section 62J.03."*

Page 58, line 7, delete "and" and after "Sherburne" insert ", and Wright"

Page 58, line 28, after "form" insert "and the National Council of Prescription Drug Providers 3.2 electronic version"

Page 63, after line 15, insert:

**"Sec. 13. [MEDICAL CARE SAVINGS ACCOUNTS.]**

*(a) The department of health, in consultation with the departments of employee relations, commerce, and revenue and the Minnesota health care commission, shall conduct a study to determine the feasibility of establishing a medical and health care benefits plan such as one to help provide incentives for persons in Minnesota whose employers pay all or part of the cost of medical and health care benefits for their employees to forego unnecessary medical treatment and to shop for the best value in cases where treatment is necessary. The study must address, at a minimum, the advantages and*



*disadvantages of establishing a medical and health care benefits plan and may contain the components and criteria in paragraphs (b) to (f).*

*(b) Employers each year shall set aside in an account for each of their employees a substantial percentage of the amount that the employers currently or would otherwise spend for medical and health care benefits for each employee. The account is an allowance for medical and health care for the employee during that year.*

*(c) Employers shall use the remaining percentage amount to purchase or self fund major medical and health care benefits for all employees, which shall pay 100 percent of the cost of any portion of an employee's medical and health care that exceeds the amount in the employee's medical and health care account.*

*(d) Any amount in an employee's medical and health care account that is unspent belongs to the employee with no restrictions on the purposes for which it may be used.*

*(e) The amount in an employee's medical and health care account is not subject to state income taxation while it remains in the account. Any amount spent from the account on medical and health care is totally exempt from state income taxation. Any amount spent from the account for any purpose other than medical and health care is subject to state income taxation.*

*(f) Employers that provide medical and health care benefits to their employees in accordance with the plan shall receive state tax credits against their income for each year that the benefits are provided.*

*(g) The results of the study must be submitted to the legislature by January 15, 1994."*

Page 63, line 17, delete "Section 2 is" and insert "Sections 2 and 3 are"

Renumber the sections of article 6 in sequence

Page 66, line 23, after the period, insert "The appointing authorities under each paragraph for which there is to be chosen more than one member shall consult prior to appointments being made to ensure that, to the extent possible, the board includes a representative from each county within the region."

Page 89, line 10, after the comma, insert "including the expansion of community rating and the phasing out of underwriting restrictions,"

Page 95, after line 35, insert:

"Sec. 8. Minnesota Statutes 1992, section 62L.08, subdivision 8, is amended to read:

Subd. 8. [FILING REQUIREMENT.] No later than July 1, 1993, and each year thereafter, a health carrier that offers, sells, issues, or renews a health benefit plan for small employers shall file with the commissioner the index rates and must demonstrate that all rates shall be within the rating restrictions defined in this chapter. Such demonstration must include the allowable range of rates from the index rates and a description of how the health carrier intends to use demographic factors including case characteristics in calculating the premium rates. *The rates shall not be approved, unless the commissioner has determined that the rates are reasonable. In determining reasonableness, the*

*commissioner shall consider the growth rate established by the commissioner, actuarially valid changes in risk associated with the enrollee population, and actuarially valid changes as a result of statutory changes in Laws 1992, chapter 549."*

Page 96, after line 22, insert:

"Sec. 10. [PHASE-IN.]

*Subdivision 1. [COMPLIANCE.] No health carrier as defined in chapter 62L shall renew any small employer insurance as defined under chapter 62L, without compliance with this section.*

*Subd. 2. [PREMIUM INCREASE.] Any increase in premiums by a health carrier that is caused by Minnesota Statutes, section 62L.08, and that exceeds 30 percent shall be subject to the premium adjustments in subdivision 3.*

*Subd. 3. [PREMIUM ADJUSTMENTS.] A health carrier shall renew any coverage under subdivision 1 that meets the conditions in subdivision 2 as follows:*

*(1) one-half of the premium increase may be charged upon the renewal of the coverage on or after July 1, 1993; and*

*(2) the remaining half of the premium increase may be charged upon the renewal of the coverage one year from that date."*

Page 96, line 27, delete "9" and insert "11"

Renumber the sections of article 8 in sequence

Page 104, after line 16, insert:

"Sec. 8. [PHASE-IN.]

*Subdivision 1. [COMPLIANCE.] No health carrier as defined in Minnesota Statutes, chapter 62L, shall renew any individual policy of accident and health insurance coverage, as defined in Minnesota Statutes, section 62A.01, subdivision 1, any individual subscriber contract regulated under Minnesota Statutes, chapter 62C, any individual health maintenance contract as regulated under Minnesota Statutes, chapter 62D, any individual health benefit certificate regulated under Minnesota Statutes, chapter 64B, or any individual health coverage provided by a multiple employer welfare arrangement without compliance with this section.*

*Subd. 2. [PREMIUM INCREASE.] Any increase in premiums by a health carrier that is caused by Minnesota Statutes, section 62A.65, and that exceeds 30 percent shall be subject to the premium adjustments in subdivision 3.*

*Subd. 3. [PREMIUM ADJUSTMENTS.] A health carrier shall renew any coverage under subdivision 1 that meets the conditions in subdivision 2 as follows:*

*(1) one-half of the premium increase may be charged upon the renewal of the coverage on or after July 1, 1993; and*

*(2) the remaining half of the premium increase may be charged upon the renewal of the coverage one year from that date."*

Page 104, line 18, delete "and 6" and insert "6, and 8"

Renumber the sections of article 9 in sequence

Page 105, line 26, after "agency" insert "*or managed care plan under contract with the department of human services*"

Page 106, after line 23, insert:

*"Subd. 4. [HOSPICE.] Beginning July 1, 1993, covered health services shall include hospice services."*

Page 106, line 24, strike "4" and insert "5"

Page 106, line 27, strike "5" and insert "6"

Page 106, line 33, strike "6" and insert "7"

Page 108, line 9, after the period, insert "*Persons who are potentially eligible for medical assistance shall be enrolled pursuant to subdivision 6.*"

Page 108, line 10, after the stricken "plan" insert "*MinnesotaCare*"

Page 108, line 11, reinstate the stricken language and delete the new language

Page 108, line 12, delete the new language

Page 108, lines 15, 16, 17, and 21, strike "the health right plan" and insert "*MinnesotaCare*"

Page 108, after line 22, insert:

"Sec. 5. Minnesota Statutes 1992, section 256.9354, subdivision 5, is amended to read:

*Subd. 5. [ADDITION OF SINGLE ADULTS AND HOUSEHOLDS WITH NO CHILDREN.] Beginning July 1, 1994, "eligible persons" means all families and individuals who are not eligible for currently recipients of medical assistance under chapter 256B. Persons who are potentially eligible for medical assistance shall be enrolled pursuant to subdivision 6. These persons are eligible for coverage through the health right plan MinnesotaCare but must pay a premium as determined under sections 256.9357 and 256.9358. Individuals and families whose income is greater than the limits established under section 256.9358 may not enroll in the health right plan MinnesotaCare.*

Sec. 6. Minnesota Statutes 1992, section 256.9354, is amended by adding a subdivision to read:

*Subd. 6. [APPLICANTS POTENTIALLY ELIGIBLE FOR MEDICAL ASSISTANCE.] Individuals who apply for MinnesotaCare, but who are potentially eligible for medical assistance shall be allowed to enroll in MinnesotaCare for a period of 60 days, so long as the applicant meets all other conditions of eligibility. The commissioner shall identify such individuals and shall complete the application for medical assistance. The enrollee must cooperate with the state in determining medical assistance eligibility within the 60-day enrollment period. The commissioner shall redetermine payments made under MinnesotaCare to the appropriate medical assistance payments for those enrollees who subsequently become eligible for medical assistance."*

Page 110, lines 15 and 23; after "rate" insert "minus any copayment required under section 256.9353, subdivision 6."

Page 110, line 28, delete "the greater of:"

Page 110, delete lines 29 and 30

Page 110, line 31, delete "(ii)"

Page 110, after line 36, insert:

"Sec. 11. [256.9363] [MANAGED CARE.]

*Subdivision 1. [PURPOSE.] In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall, where possible, contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for managed care plans which may include: prepaid capitation programs, competitive bidding programs, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. Managed care plans may include integrated service networks as defined in section 62N.02.*

*Subd. 2. [GEOGRAPHIC AREA.] The commissioner shall designate the geographic areas in which eligible individuals must receive services through managed care plans.*

*Subd. 3. [LIMITATION OF CHOICE.] Persons enrolled in the MinnesotaCare program who reside in the designated geographic areas must enroll in a managed care plan to receive their health care services. Enrollees must receive their health care services from health care providers who are part of the managed care plan provider network, unless authorized by the managed care plan, in cases of medical emergency, or when otherwise required by law or by contract.*

*If only one managed care option is available in a geographic area, enrollees must designate a primary care physician or clinic from which to receive their health care. Enrollees will be permitted to change their designated primary care provider upon request to the managed care plan. Requests to change primary care providers may be limited to once annually. If more than one managed care plan is offered in a geographic area, enrollees will be enrolled in a managed care plan for up to one year from the date of enrollment, but shall have the right to change to another managed care plan once within the first year of initial enrollment. Enrollees may also change to another managed care plan during an annual 30 day open enrollment period. Enrollees shall be notified of the opportunity to change to another managed care plan before the start of each annual open enrollment period.*

*Enrollees may change managed care plans or primary care providers at other than the above designated times for cause as determined through an appeal pursuant to section 256.045.*

*Subd. 4. [EXCEPTIONS.] (a) All contracts between the department of human services and prepaid health plans or integrated service networks to serve medical assistance, general assistance medical care, and MinnesotaCare recipients must comply with the requirements of United States Code, title 42, section 1396(a)(23).*

*(b) Medical assistance recipients enrolled in managed care programs including integrated service networks shall have free choice of personal care assistants who meet the managed care plan's administrative and quality assurance requirements, except for persons identified as needing personal care assistant services after enrollment in the managed care plan may be limited to personal care assistants under contract with the managed care plan. Persons who require personal care assistant services prior to enrollment may retain the personal care assistants they were using at the time of enrollment provided that those personal care assistants meet the managed care plan's administrative and quality assurance requirements.*

*Subd. 5. [ELIGIBILITY FOR OTHER STATE PROGRAMS.] MinnesotaCare enrollees who become eligible for medical assistance or general assistance medical care will remain in the same managed care plan. Contracts between the department of human services and managed care plans must include MinnesotaCare, and medical assistance and may also include general assistance medical care.*

*Subd. 6. [COPAYMENTS AND BENEFIT LIMITS.] Enrollees are responsible for all copayments in section 256.9353, subdivision 6, and shall pay copayments to the managed care plan or to its participating providers. The enrollee is also responsible for payment of inpatient hospital charges which exceed the MinnesotaCare benefit limit to the managed care plan or its participating providers.*

*Subd. 7. [MANAGED CARE PLAN VENDOR REQUIREMENTS.] The following requirements apply to all counties or vendors who contract with the department of human services to serve MinnesotaCare recipients. Managed care plan contractors:*

*(1) shall authorize and arrange for the provision of the full range of services listed in section 256.9353 in order to ensure appropriate health care is delivered to enrollees;*

*(2) shall accept the prospective, per capita payment or other contractually defined payment from the commissioner in return for the provision and coordination of covered health care services for eligible individuals enrolled in the program;*

*(3) may contract with other health care and social service practitioners to provide services to enrollees;*

*(4) shall provide for an enrollee grievance process as required by the commissioner and set forth in the contract with the department;*

*(5) shall retain all revenue from enrollee copayments;*

*(6) shall accept all eligible MinnesotaCare enrollees, without regard to health status or previous utilization of health services;*

*(7) shall demonstrate capacity to accept financial risk according to requirements specified in the contract with the department. A health maintenance organization licensed under chapter 62D, or a nonprofit health plan licensed under chapter 62C, is not required to demonstrate financial risk capacity, beyond that which is required to comply with chapters 62C and 62D;*

*(8) shall submit information as required by the commissioner, including data required for assessing enrollee satisfaction, quality of care, cost, and utilization of services; and*

(9) shall submit to the commissioner claims in the format specified by the commissioner of human services for all hospital services provided to enrollees for the purpose of determining whether enrollees meet medical assistance spenddown requirements and shall provide to the enrollee, upon the enrollee's request, information on the cost of services provided to the enrollee by the managed care plan for the purpose of establishing whether the enrollee has medical assistance spenddown requirements.

*Subd. 8. [CHEMICAL DEPENDENCY ASSESSMENTS.] The managed care plan shall be responsible for assessing the need and placement for chemical dependency services according to criteria set forth in Minnesota Rules, parts 9530.6600 to 9530.6660.*

*Subd. 9. [RATE SETTING.] Rates will be prospective, per capita, where possible and will include payment for only the covered benefit package. The commissioner shall consult with an independent actuary to determine appropriate rates.*

*Subd. 10. [CHILDHOOD IMMUNIZATION.] A contract with a managed care plan shall require the plan to notify all enrolled families with children of coverage for childhood immunizations. The plan must provide the families with a recommended immunization schedule. At regular intervals the plan must notify the public health nurse in the county of residence of families that do not follow the recommended schedule.*

Sec. 12. Minnesota Statutes 1992, section 256B.04, subdivision 1, is amended to read:

Subdivision 1. The state agency shall: Supervise the administration of medical assistance for eligible recipients by the county agencies hereunder, *except that the state agency shall complete the medical assistance eligibility determinations for pregnant women and families with children born on or after October 1, 1983, when other family members are eligible for MinnesotaCare.*

Page 111, line 9, after the period, insert *“For purposes of this subdivision, “countable family income” means the amount of income considered available using the methodology of the AFDC program, except for the earned income disregard and employment deductions. An amount equal to the difference between the amount of earned income exceeding 275 percent of the federal poverty guideline and the combined total of 185 percent of the federal poverty guideline plus the earned income disregards and deductions of the AFDC program will be deducted for pregnant women and infants less than 18 months of age.”*

Page 111, line 22, after the first *“for”* insert *“medical assistance”*

Page 111, after line 25, insert:

“Sec. 15. Minnesota Statutes 1992, section 256B.057, subdivision 2, is amended to read:

Subd. 2. [CHILDREN.] A child ~~one~~ *18 months* through five years of age in a family whose countable income is less than 133 percent of the federal poverty guidelines for the same family size, is eligible for medical assistance. A child six through 18 years of age, who was born after September 30, 1983, in a family whose countable income is less than 100 percent of the federal poverty guidelines for the same family size is eligible for medical assistance.

Eligibility for children under this subdivision must be determined without regard to asset standards established in section 256B.056, subdivision 3.

Sec. 16. Minnesota Statutes 1992, section 256B.057, subdivision 2a, is amended to read:

Subd. 2a. [NO ASSET TEST FOR CHILDREN AND THEIR PARENTS.] Eligibility for medical assistance for a ~~person~~ *persons* under age 21 *and their parents living in the same household* must be determined without regard to asset standards established in section 256B.056.

Sec. 17. Minnesota Statutes 1992, section 256B.0644, is amended to read:

256B.0644 [PARTICIPATION REQUIRED FOR REIMBURSEMENT UNDER OTHER STATE HEALTH CARE PROGRAMS.]

A vendor of medical care, as defined in section 256B.02, subdivision 7, and a health maintenance organization, as defined in chapter 62D, must participate as a provider or contractor in the medical assistance program, general assistance medical care program, and the ~~health right plan~~ *MinnesotaCare* as a condition of participating as a provider in health insurance plans or contractor for state employees established under section 43A.18, the public employees insurance plan under section 43A.316, *for health insurance plans offered to local statutory or home rule charter city, county, and school district employees*, the workers' compensation system under section 176.135, and insurance plans provided through the Minnesota comprehensive health association under sections 62E.01 to 62E.17. For providers other than health maintenance organizations, participation in the medical assistance program means that (1) the provider accepts new medical assistance patients or (2) at least 20 percent of the provider's patients are covered by medical assistance, general assistance medical care, or the ~~health right plan~~ *MinnesotaCare* as their primary source of coverage. The commissioner shall establish participation requirements for health maintenance organizations. The commissioner shall provide lists of participating medical assistance providers on a quarterly basis to the commissioner of employee relations, the commissioner of labor and industry, and the commissioner of commerce. Each of the commissioners shall develop and implement procedures to exclude as participating providers in the program or programs under their jurisdiction those providers who do not participate in the medical assistance program.

Sec. 18. Minnesota Statutes 1992, section 256D.03, subdivision 3, is amended to read:

Subd. 3. [GENERAL ASSISTANCE MEDICAL CARE; ELIGIBILITY.]

(a) General assistance medical care may be paid for any person who is not eligible for medical assistance under chapter 256B, including eligibility for medical assistance based on a spend-down of excess income according to section 256B.056, subdivision 5, and:

(1) who is receiving assistance under section 256D.05 or 256D.051; or

(2)(i) who is a resident of Minnesota; and whose equity in assets is not in excess of \$1,000 per assistance unit. *There is no asset test for children and their parents living in the same household.* Exempt assets, the reduction of excess assets, and the waiver of excess assets must conform to the medical assistance program in chapter 256B, with the following exception: the maximum amount of undistributed funds in a trust that could be distributed to or on behalf of the beneficiary by the trustee, assuming the full exercise of the

trustee's discretion under the terms of the trust, must be applied toward the asset maximum; and

(ii) who has countable income not in excess of the assistance standards established in section 256B.056, subdivision 4, or whose excess income is spent down pursuant to section 256B.056, subdivision 5, using a six-month budget period, except that a one-month budget period must be used for recipients residing in a long-term care facility. The method for calculating earned income disregards and deductions for a person who resides with a dependent child under age 21 shall be as specified in section 256.74, subdivision 1. However, if a disregard of \$30 and one-third of the remainder described in section 256.74, subdivision 1, clause (4), has been applied to the wage earner's income, the disregard shall not be applied again until the wage earner's income has not been considered in an eligibility determination for general assistance, general assistance medical care, medical assistance, or aid to families with dependent children for 12 consecutive months. The earned income and work expense deductions for a person who does not reside with a dependent child under age 21 shall be the same as the method used to determine eligibility for a person under section 256D.06, subdivision 1, except the disregard of the first \$50 of earned income is not allowed; or

(3) who would be eligible for medical assistance except that the person resides in a facility that is determined by the commissioner or the federal health care financing administration to be an institution for mental diseases.

(b) Eligibility is available for the month of application, and for three months prior to application if the person was eligible in those prior months. A redetermination of eligibility must occur every 12 months.

(c) General assistance medical care is not available for a person in a correctional facility unless the person is detained by law for less than one year in a county correctional or detention facility as a person accused or convicted of a crime, or admitted as an inpatient to a hospital on a criminal hold order, and the person is a recipient of general assistance medical care at the time the person is detained by law or admitted on a criminal hold order and as long as the person continues to meet other eligibility requirements of this subdivision.

(d) General assistance medical care is not available for applicants or recipients who do not cooperate with the county agency to meet the requirements of medical assistance.

(e) In determining the amount of assets of an individual, there shall be included any asset or interest in an asset, including an asset excluded under paragraph (a), that was given away, sold, or disposed of for less than fair market value within the 30 months preceding application for general assistance medical care or during the period of eligibility. Any transfer described in this paragraph shall be presumed to have been for the purpose of establishing eligibility for general assistance medical care, unless the individual furnishes convincing evidence to establish that the transaction was exclusively for another purpose. For purposes of this paragraph, the value of the asset or interest shall be the fair market value at the time it was given away, sold, or disposed of, less the amount of compensation received. For any uncompensated transfer, the number of months of ineligibility, including partial months, shall be calculated by dividing the uncompensated transfer amount by the average monthly per person payment made by the medical assistance program to skilled nursing facilities for the previous calendar year. The individual shall remain ineligible until this fixed period has expired. The



period of ineligibility may exceed 30 months, and a reapplication for benefits after 30 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired. The period of ineligibility begins in the month the transfer was reported to the county agency, or if the transfer was not reported, the month in which the county agency discovered the transfer, whichever comes first. For applicants, the period of ineligibility begins on the date of the first approved application."

Page 111, line 28, before "allow" insert ": (1)"

Page 111, line 29, delete "10" and insert "14; (2) increase the income standard to 275 percent of the federal poverty guideline; and (3) continue eligibility without redetermination for infants 13 to 18 months of age"

Page 111, line 31, delete "9" and insert "10, 12, 16, and 18" and delete "Section 10 is" and insert "Sections 13 to 15 are"

Page 111, line 33, delete "11" and insert "19" and after the period, insert "Sections 11, 17, and 19 are effective the day following final enactment."

Renumber the sections of article 10 in sequence

Page 116, after line 33, insert:

"Sec. 6. Minnesota Statutes 1992, section 136A.1356, subdivision 4, is amended to read:

Subd. 4. [LOAN FORGIVENESS.] The higher education coordinating board may accept up to ~~eight~~ 12 applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of midlevel practitioner study, up to a maximum of two years, an agreed amount, not to exceed \$7,000, as a qualified loan. For each year that a participant serves as a midlevel practitioner in a designated rural area, up to a maximum of four years, the higher education coordinating board shall annually repay an amount equal to one-half a qualified loan. Participants who move their practice from one designated rural area to another remain eligible for loan repayment."

Page 117, delete sections 7 and 8 and insert:

"Sec. 8. Minnesota Statutes 1992, section 136A.1357, is amended to read:

136A.1357 [EDUCATION ACCOUNT FOR NURSES WHO AGREE TO PRACTICE IN A NURSING HOME OR AN INTERMEDIATE CARE FACILITY FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.]

Subdivision 1. [CREATION OF THE ACCOUNT.] An education account in the ~~general~~ health care access fund is established for a loan forgiveness program for nurses who agree to practice nursing in a nursing home or an intermediate care facility for persons with mental retardation or related conditions. The account consists of money appropriated by the legislature and repayments and penalties collected under subdivision 4. Money from the account must be used for a loan forgiveness program.

Subd. 2. [ELIGIBILITY.] To be eligible to participate in the loan forgiveness program, a person planning to enroll or enrolled in a program of study designed to prepare the person to become a registered nurse or licensed

practical nurse must submit a letter of interest to the board before ~~completing the first year of study~~ *completion of a nursing education program. Before completing the first year of study completion of the program*, the applicant must sign a contract in which the applicant agrees to practice nursing for at least one of the first two years following completion of the nursing education program providing nursing services in a licensed nursing home or an intermediate care facility for persons with mental retardation or related conditions.

Subd. 3. [LOAN FORGIVENESS.] The board may accept up to ten applicants a year. Applicants are responsible for securing their own loans. For each year of nursing education, for up to two years, applicants accepted into the loan forgiveness program may designate an agreed amount, not to exceed \$3,000, as a qualified loan. For each year that a participant practices nursing in a nursing home or an intermediate care facility for persons with mental retardation or related conditions, up to a maximum of two years, the board shall annually repay an amount equal to one year of qualified loans. Participants who move from one nursing home or an intermediate care facility for persons with mental retardation or related conditions to another remain eligible for loan repayment.

Subd. 4. [PENALTY FOR NONFULFILLMENT.] If a participant does not fulfill the service commitment required under subdivision 3 for full repayment of all qualified loans, the ~~commissioner~~ *higher education coordinating board* shall collect from the participant 100 percent of any payments made for qualified loans and interest at a rate established according to section 270.75. The board shall deposit the collections in the ~~general~~ *health care access fund* to be credited to the account established in subdivision 1. The board may grant a waiver of all or part of the money owed as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the required service commitment.

Subd. 5. [RULES.] The board shall adopt rules to implement this section.

Sec. 9. [136A.1358] [RURAL CLINICAL SITES FOR NURSE PRACTITIONER EDUCATION.]

*Subdivision 1. [DEFINITION.] For purposes of this section, "rural" means any area of the state outside of the seven metropolitan counties, as defined in section 473.121, subdivision 4.*

*Subd. 2. [ESTABLISHMENT.] A grant program is established under the authority of the higher education coordinating board to provide grants to colleges or schools of nursing located in Minnesota that operate programs of study designed to prepare registered nurses for advanced practice as nurse practitioners.*

*Subd. 3. [PROGRAM GOALS.] Colleges and schools of nursing shall use grants received to provide rural students with increased access to programs of study for nurse practitioners, by:*

- (1) developing rural clinical sites;*
- (2) allowing students to remain in their rural communities for clinical rotations; and*
- (3) providing faculty to supervise students at rural clinical sites.*

The overall goal of the grant program is to increase the number of graduates of nurse practitioner programs who work in rural areas of the state.

*Subd. 4. [RESPONSIBILITY OF NURSING PROGRAMS.] (a) Colleges or schools of nursing interested in participating in the grant program must apply to the higher education coordinating board, according to the policies established by the board. Applications submitted by colleges or schools of nursing must include a detailed proposal for achieving the goals listed in subdivision 3, a plan for encouraging sufficient applications from rural applicants to meet the requirements of paragraph (b), and any additional information required by the board.*

*(b) Each college or school of nursing, as a condition of accepting a grant, shall make at least 25 percent of the openings in each nurse practitioner entering class available to applicants who live in rural areas and desire to practice as a nurse practitioner in rural areas. This requirement is effective beginning with the fall 1994 entering class and remains in effect for each biennium thereafter for which a college or school of nursing is awarded a grant renewal. The board may exempt colleges or schools of nursing from this requirement if the college or school can demonstrate, to the satisfaction of the board, that the nurse practitioner program did not receive enough applications or acceptance letters from qualified rural applicants to meet the requirement.*

*(c) Colleges or schools of nursing participating in the grant program shall report to the higher education coordinating board on their program activity as requested by the board.*

*Subd. 5. [RESPONSIBILITIES OF THE HIGHER EDUCATION COORDINATING BOARD.] (a) The board shall establish an application process for interested colleges and schools of nursing, and shall require colleges and schools of nursing to submit grant applications to the board by November 1, 1993. The board may award up to two grants for the biennium ending June 30, 1995.*

*(b) In selecting grant recipients, the board shall consider:*

*(1) the likelihood that an applicant's grant proposal will be successful in achieving the program goals listed in subdivision 3;*

*(2) the potential effectiveness of the college's or school's plan to encourage applications from rural applicants; and*

*(3) the academic quality of the college's or school's program of education for nurse practitioners.*

*(c) The board shall notify grant recipients of an award by December 1, 1993, and shall disburse the grants by January 1, 1994. The board may renew grants if a college or school of nursing demonstrates that satisfactory progress has been made during the past biennium toward achieving the goals listed in subdivision 3."*

Page 120, after line 7, insert:

*"Sec. 17. [NURSE PRACTITIONER PROMOTION TEAMS.]*

*The commissioner of health, through the office of rural health, shall establish nurse practitioner promotion teams, consisting of one nurse practitioner and one physician who are practicing jointly. The promotion teams*

*shall travel to rural communities and provide physicians, medical clinic administrators, and other interested parties with information on: the benefits of joint practices between nurse practitioners and physicians and methods of establishing and maintaining joint practices. The office of rural health shall contract with promotion teams to visit up to 20 rural communities during the biennium ending June 30, 1995. The office of rural health shall provide members of promotion teams with stipends for their time and travel expenses not to exceed the amount specified in Minnesota Statutes, section 15.059, subdivision 3."*

Renumber the sections of article 12 in sequence

Page 124, after line 16, insert:

"Section 1. Minnesota Statutes 1992, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, or by a physician enrolled in the medical assistance program as a dispensing physician. The commissioner, after receiving recommendations from the Minnesota Medical Association and the Minnesota Pharmacists Association, 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 shall 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. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the

quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the commissioner 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, products for the treatment of lice, 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 drug formulary committee 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. Nutritional products needed for the treatment of a combined allergy to human milk, cow's milk, and soy formula require prior authorization. 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~~ *shall* be estimated by the commissioner, *at average wholesale price minus 8.6 percent effective January 1, 1994*. 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 legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this 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. The

commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. 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 - brand necessary" 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.

(c) Until January 4, 1993, or the date the Medicaid Management Information System (MMIS) upgrade is implemented, whichever occurs last, a pharmacy provider may require individuals who seek to become eligible for medical assistance under a one-month spend-down, as provided in section 256B.056, subdivision 5, to pay for services to the extent of the spend-down amount at the time the services are provided. A pharmacy provider choosing this option shall file a medical assistance claim for the pharmacy services provided. If medical assistance reimbursement is received for this claim, the pharmacy provider shall return to the individual the total amount paid by the individual for the pharmacy services reimbursed by the medical assistance program. If the claim is not eligible for medical assistance reimbursement because of the provider's failure to comply with the provisions of the medical assistance program, the pharmacy provider shall refund to the individual the total amount paid by the individual. Pharmacy providers may choose this option only if they apply similar credit restrictions to private pay or privately insured individuals. A pharmacy provider choosing this option must inform individuals who seek to become eligible for medical assistance under a one-month spend-down of (1) their right to appeal the denial of services on the grounds that they have satisfied the spend-down requirement, and (2) their potential eligibility for the health right program or the children's health plan."

Page 125, line 31, after the first comma, insert "and" and delete ", and"

Page 125, line 32, delete everything before the period

Page 130, line 10, delete everything after the first comma

Page 130, line 11, delete "surcharges" and reinstate the stricken "and"

Page 130, line 16, delete "; and"

Page 130, delete line 17

Page 130, line 18, delete "Minnesota"

Page 130, after line 32, insert:

"Sec. 15. Minnesota Statutes 1992, section 295.53, subdivision 3, is amended to read:

Subd. 3. [RESTRICTION ON ITEMIZATION.] A hospital, *surgical center*, or health care provider must not separately state the tax obligation under section 295.52 on bills provided to individual patients.

Sec. 16. Minnesota Statutes 1992, section 295.54, is amended to read:

295.54 [CREDIT FOR TAXES PAID TO ANOTHER STATE.]

A resident hospital, *resident surgical center*, or resident health care provider who is liable for taxes payable to another state or province or territory of

Canada measured by gross receipts and is subject to tax under section 295.52 is entitled to a credit for the tax paid to another state or province or territory of Canada to the extent of the lesser of (1) the tax actually paid to the other state or province or territory of Canada, or (2) the amount of tax imposed by Minnesota on the gross receipts subject to tax in the other taxing jurisdictions."

Page 133, line 2, delete "is" and insert "are"

Page 133, delete line 8 and insert:

"Sections 2; 4; 5, clauses (1) to (9); 7; 10 to 13; 15; 16; and 17"

Page 133, line 11, delete "4" and insert "5" and delete "14" and insert "17"

Page 133, line 13, delete "2, 5, 17, 18, and 19" and insert "1, 3, 6, 20, 21, and 22"

Renumber the sections of article 14 in sequence

Page 134, after line 23, insert:

*\$. . . . . is appropriated from the health care access fund to the higher education coordinating board for the biennium ending June 30, 1995, to implement the loan forgiveness and rural clinical nurse practitioner education grant program under article 12.*

*\$. . . . . is appropriated from the health care access fund to the commissioner of health for the biennium ending June 30, 1995, to provide stipends to members of nurse practitioner promotion teams under article 12."*

Amend the title as follows:

Page 1, lines 18 and 19, delete "a subdivision" and insert "subdivisions"

Page 1, line 27, after the first semicolon, insert "62L.08, subdivision 8;"

Page 1, line 29, after "2" insert ", 4,"

Page 1, line 30, delete ", subdivisions 1 and 4"

Page 1, line 36, delete "and 4" and insert ", 4, 5, and by adding a subdivision"

Page 1, line 37, delete everything after the first semicolon and insert "256B.04, subdivision 1;"

Page 1, line 38, delete "subdivision 1" and insert "subdivisions 1, 2, 2a" and after the semicolon, insert "256B.0625, subdivision 13; 256B.0644; 256D.03, subdivision 3;"

Page 1, line 41, delete "and 2" and insert "; 2, and 3; 295.54"

Page 1, line 44, delete "16B" and insert "62A" and before "137" insert "136A;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 29: A bill for an act relating to education; establishing a comprehensive youth apprenticeship system; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 126B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 1, delete everything before the second "the" and insert "composed of"

Page 2, line 7, before the comma, insert "selected by the board"

Page 2, line 8, before the second comma, insert "appointed by the governor"

Page 2, line 9, before the comma, insert "appointed by the governor"

Page 2, line 10, after the period, insert ", appointed by Minnesota Technology, Inc."

Page 2, line 36, after "policies" insert "including chapter 178 as it applies to youth apprenticeship"

Page 3, lines 25 and 31, delete "shall" and insert "must"

Page 4, line 3, delete "shall" and insert "must"

Page 4, line 7, delete "they establish" and insert "it establishes"

Page 5, line 9, delete "By September 1, 1993,"

Page 5, lines 12, 18, and 31, delete "shall" and insert "must"

Page 5, line 22, delete "shall"

Page 5, line 23, delete "must" and insert "may"

Page 6, after line 16, insert:

"Sec. 10. [DEVELOPMENT OF CRITERIA.]

*The commissioner of education shall develop the criteria required by section 5 by September 1, 1993.*"

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. 1503: A bill for an act relating to the organization and operation of state government; appropriating money for criminal justice, corrections, and related purposes; 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; amending Minnesota Statutes 1992, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 241.01, subdivision 5; 242.195, subdivision 1; 242.51; 401.13; 611.20; 611.25, subdivision 3; and 626.861, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 611; repealing Minnesota Statutes 1992, sections 241.43, subdivision 2 and 611.20, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:



Page 1, delete line 20 and insert:

“General \$630,000      \$248,228,000      \$258,657,000      \$507,515,000”

Page 1, delete line 24 and insert:

“TOTAL 630,000      253,838,000      264,268,000      518,736,000”

Page 2, delete line 7 and insert:

“General                      \$221,642,000      \$232,410,000      \$454,052,000”

Page 2, delete line 9 and insert:

“TOTAL                      225,778,000      236,546,000      462,324,000”

Page 2, line 54, delete “25,651,000” and insert “25,701,000” and delete “25,825,000” and insert “25,775,000”

Page 3, line 17, delete “21,724,000” and insert “21,774,000” and delete “21,812,000” and insert “21,762,000”

Page 3, line 26, delete “\$872,000” and insert “\$822,000”

Page 3, line 27, delete “\$912,000” and insert “\$862,000”

Page 3, after line 32, insert:

“\$100,000 the first year is for Indian child welfare defense corporation grants under Minnesota Statutes, section 611.216, subdivision 1a, as added by this act, to be available until June 30, 1995.”

Page 3, after line 35, insert:

“Subd. 5. Transfers

The board of public defense may transfer unencumbered balances among the programs specified in this section after getting the approval of the commissioner of finance. The commissioner of finance shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee.”

Page 3, line 36, delete “192,985,000” and insert “195,160,000” and delete “204,450,000” and insert “205,875,000”

Page 3, delete lines 49 to 51

Page 4, line 8, delete “131,761,000” and insert “133,936,000” and delete “139,133,000” and insert “141,308,000”

Page 4, after line 26, insert:

"Of this appropriation, \$375,000 each year is for adult correctional institutions."

Page 4, after line 39, insert:

"(n) Inmate Contracts	1,800,000	1,800,000
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This appropriation is available only to the extent of contract receipts."

Page 4, line 41, delete "50,325,000" and insert "49,575,000"

Page 4, delete lines 42 to 46

Page 4, line 49, delete "28,078,000" and insert "27,328,000"

Page 5, after line 14, insert:

"Subd. 4. Transfers

The commissioner of corrections may transfer unencumbered balances among the programs specified in this section after getting the approval of the commissioner of finance. The commissioner of finance shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee."

Page 13, after line 32, insert:

"Sec. 16. Minnesota Statutes 1992, section 611.216, is amended by adding a subdivision to read:

*Subd. 1a.* [INDIAN CHILD WELFARE DEFENSE CORPORATION GRANTS.] (a) *The board of public defense shall establish procedures for accepting applications for funding from an Indian child welfare defense corporation located in the American Indian community. The board must consult with the Minnesota Indian affairs council before making a grant to an Indian child.*

(b) *An "Indian child welfare defense corporation" refers to an American Indian nonprofit law corporation, having an American Indian majority on its board of directors, specializing primarily in providing culturally appropriate legal services to indigent clients or tribal representatives involved in a case governed by the Indian Child Welfare Act, United States Code, title 25, section 1901 et seq., or the Minnesota Indian family preservation act, sections 257.35 to 257.3579.*

(c) *An Indian child welfare defense corporation is a "public defense corporation" for the purposes of sections 611.14 to 611.271."*

Page 17, line 4, delete "13" and insert "11"

Page 17, line 5, delete "14" and insert "13"

Renumber the sections of article 2 in sequence

Page 18, line 29, delete "\$376,000" and insert "\$366,000" in both places

Page 20, after line 1, insert:

"Subd. 11. Transfers

The commissioner of public safety may transfer unencumbered balances among the programs specified in this section after getting the approval of the commissioner of finance. The commissioner of finance shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the house of representatives ways and means committee."

Page 20, delete lines 32 to 36

Pages 20 and 21, delete section 4

Page 21, lines 20 and 21, delete "\$250,000" and insert "\$450,000"

Renumber the sections of article 4 in sequence

Amend the title as follows:

Page 1, line 11, after the second semicolon, insert "611.216, by adding a subdivision;"

Page 1, line 14, after "2" insert a semicolon

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Metzen from the Committee on Governmental Operations and Reform, to which was re-referred

S.F. No. 1465: A bill for an act relating to higher education; creating a higher education instructional telecommunications network; providing for grants from the higher education coordinating board for regional linkages, regional coordination, courseware development and usage, and faculty training; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 20, delete "shall" and insert "must"

Page 2, after line 20, insert:

*"The council shall consult with representatives of the telecommunications industry in implementing this subdivision."*

Page 3, line 3, after the semicolon, insert "and"

Page 3, line 5, delete the semicolon and insert a period

Page 3, delete lines 6 to 11

Page 4, line 10, delete "shall" and insert "must"

Page 4, line 35, before "how" insert "*proposals must indicate*"

Page 5, line 25, delete the first "*shall*" and insert "*must*" and delete the second "*shall*" and insert "*may*"

Page 5, line 30, delete "*shall*" and insert "*must*"

And when so amended the bill do pass and be re-referred to the Committee on Education. Amendments adopted. Report adopted.

Mrs. Adkins from the Committee on Metropolitan and Local Government, to which was re-referred

S.F. No. 1546: A bill for an act relating to financing and operation of government in Minnesota; changing property tax classifications and class rates; modifying the property tax refund for homeowners and renters; restructuring various state aids; changing the local government aid formula; providing state financing of court administrators; providing for three property tax installment payments; allowing cities to impose certain service charges on certain tax exempt property; eliminating the local government trust fund; appropriating money; amending Minnesota Statutes 1992, sections 43A.02, subdivision 25; 43A.24, subdivision 2; 97A.065, subdivision 2; 124.226, subdivision 1; 124A.23, subdivision 1; 145A.13, subdivision 2; 256E.06, subdivisions 5 and 12; 273.1316, subdivisions 1, 6, and 7; 273.1381; 273.1392; 274.19, subdivision 3; 275.065, subdivision 3; 275.07, subdivision 1; 275.08, subdivision 1b; 276.04, subdivision 3; 276.09; 276.10; 276.11; 276.111; 278.03; 278.05, subdivision 5; 279.01, by adding subdivisions; 289A.18, subdivision 5; 289A.56, subdivision 6; 290A.01; 290A.03, subdivisions 6 and 13; 290A.04, subdivision 2; 290A.07; 290A.23; 297A.44, subdivision 1; 299D.03, subdivision 5; 466.01, subdivision 6; 477A.011, subdivisions 1a, 20, 25, and by adding subdivisions; 477A.012, by adding a subdivision; 477A.013, subdivisions 1 and 2; 477A.014, subdivisions 1 and 3; 477A.03, subdivision 1; 480.181, subdivision 1; 485.01; 485.018, subdivisions 2a, 5, and 6; 485.021; 487.31, subdivision 1; 487.32, subdivision 3; and 574.34, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 257; 273; 275; 429; and 477A; repealing Minnesota Statutes 1992, sections 16A.711; 16A.712; 256E.06, subdivision 2; 273.124; 273.13; 273.1398; 275.07, subdivision 3; 275.08, subdivisions 1c and 1d; 279.01, subdivisions 1 and 3; 290A.04, subdivisions 2a, 2b, 2h, and 2i; 290A.23, subdivision 2; 297A.44, subdivision 4; 297B.09, subdivision 3; 477A.011, subdivisions 1b, 15, 16, 17, 18, 19, 22, 23, 28, and 29; 477A.012; 477A.013, subdivisions 3, 5, and 6; 477A.0132, subdivisions 1, 2, and 3; 477A.014, subdivision 1a; 485.018, subdivisions 1, 2, 4, and 8; 485.03; 485.05; and 485.11.

Reports the same back with the recommendation that the bill be amended as follows:

Page 9, line 22, delete "*two*" and insert "*1.5*"

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 Care, to which was referred

S.F. No. 1201: A bill for an act relating to occupations and professions; modifying reciprocity licensing requirement; providing for disciplinary ac-

tions; imposing penalties; amending Minnesota Statutes 1992, sections 148.905, subdivision 1; 148.921, subdivision 3; 148.925, subdivision 1; and 148.98; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1992, section 148.95.

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 1992, section 103I.345, subdivision 1, is amended to read:

Subdivision 1. [REVENUE SOURCES.] Revenue from the following sources must be deposited in the state treasury and credited to a special account:

- (1) all money recovered by the commissioner under section 103I.341;
- (2) all money paid under section ~~103I.705~~ 144.99 or under any agreement, stipulation, or settlement resolving an enforcement action brought by the commissioner;
- (3) all interest attributable to investment of money credited to the account; and
- (4) all money received in the form of gifts, grants, reimbursements, or appropriations from any source intended to be used for the purposes of the account.

Sec. 2. Minnesota Statutes 1992, section 116.75, is amended to read:

116.75 [CITATION.]

Sections 116.76 to ~~116.83~~ 116.82 may be cited as the “infectious waste control act.”

Sec. 3. Minnesota Statutes 1992, section 116.76, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 116.76 to ~~116.83~~ 116.82.

Sec. 4. Minnesota Statutes 1992, section 116.77, is amended to read:

116.77 [COVERAGE.]

Sections 116.75 to ~~116.83~~ 116.82 and 609.671, subdivision 10, cover any person, including a veterinarian, who generates, treats, stores, transports, or disposes of infectious or pathological waste 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. 5. Minnesota Statutes 1992, section 116.82, subdivision 3, is amended to read:

Subd. 3. [LOCAL ENFORCEMENT.] Sections 116.76 to 116.81 may be enforced by a county by delegation of enforcement authority granted to the commissioner of health and the agency in section ~~116.83~~ 144.99. Separate

enforcement actions may not be brought by a state agency and a county for the same violations. The state or county may not bring an action that is being enforced by the federal Office of Safety and Health Administration.

Sec. 6. Minnesota Statutes 1992, section 144.71, subdivision 1, is amended to read:

Subdivision 1. [HEALTH AND SAFETY.] The purpose of sections 144.71 to ~~144.76~~ 144.74 is to protect the health and safety of children in attendance at children's camps.

Sec. 7. [144.989] [TITLE; CITATION.]

Sections 144.989 to 144.993 may be cited as the "health enforcement consolidation act of 1993."

Sec. 8. [144.99] [ENFORCEMENT.]

Subdivision 1. [REMEDIES AVAILABLE.] The provisions of chapters 1031 and 157 and sections 115.71 to 115.82; 116.76 to 116.81; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14), and (15); 144.121; 144.35; 144.381 to 144.385; 144.411 to 144.417; 144.491; 144.495; 144.71 to 144.76; 144.871 to 144.878; 144.992; 326.37 to 326.45; 326.57 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted or issued by the department or under any other law now in force or later enacted for the preservation of public health may, in addition to provisions in other statutes, be enforced under this section.

Subd. 2. [ACCESS TO INFORMATION AND PROPERTY.] The commissioner or an employee or agent authorized by the commissioner, upon presentation of credentials, may:

(a) examine and copy any books, papers, records, memoranda, or data of any person subject to regulation under the statutes listed in subdivision 1; and

(b) enter upon any property, public or private, for the purpose of taking any action authorized under statutes, rules, or other actions listed in subdivision 1 including obtaining information from a person who has a duty to provide information under the statutes listed in subdivision 1, taking steps to remedy violations, or conducting surveys or investigations.

Subd. 3. [CORRECTION ORDERS.] (a) The commissioner may issue correction orders that require a person to correct a violation of the statutes, rules, and other actions listed in subdivision 1. The correction order must state the deficiencies that constitute the violation; the specific statute, rule, or other action; and the time by which the violation must be corrected.

(b) If the person believes that the information contained in the commissioner's correction order is in error, the person may ask the commissioner to reconsider the parts of the order that are alleged to be in error. The request must be in writing, delivered to the commissioner by certified mail within seven calendar days after receipt of the order, and:

(1) specify which parts of the order for corrective action are alleged to be in error;

(2) explain why they are in error; and

(3) provide documentation to support the allegation of error.

The commissioner must respond to requests made under this paragraph within 15 calendar days after receiving a request. A request for reconsideration does not stay the correction order; however, after reviewing the request for reconsideration, the commissioner may provide additional time to comply with the order if necessary. The commissioner's disposition of a request for reconsideration is final.

**Subd. 4. [ADMINISTRATIVE PENALTY ORDERS.]** The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for violations of the statutes, rules, and other actions listed in subdivision 1. The procedures in section 144.991 must be followed when issuing administrative penalty orders. Except in the case of repeated or serious violations, the penalty assessed in the order must be forgiven if the person who is subject to the order demonstrates in writing to the commissioner before the 31st day after receiving the order that the person has corrected the violation or has developed a corrective plan acceptable to the commissioner. The maximum amount of administrative penalty orders is \$10,000 for all violations identified in an inspection or review of compliance.

**Subd. 5. [INJUNCTIVE RELIEF.]** In addition to any other remedy provided by law, the commissioner may bring an action for injunctive relief in the district court in Ramsey county or, at the commissioner's discretion, in the district court in the county in which a violation of the statutes, rules, or other actions listed in subdivision 1 has occurred to enjoin the violation.

**Subd. 6. [CEASE AND DESIST.]** The commissioner, or an employee of the department designated by the commissioner, may issue an order to cease an activity covered by subdivision 1 if continuation of the activity would result in an immediate risk to public health. An order issued under this paragraph is effective for a maximum of 72 hours. The commissioner must seek an injunction or take other administrative action authorized by law to restrain activities for a period beyond 72 hours. The issuance of a cease and desist order does not preclude the commissioner from pursuing any other enforcement action available to the commissioner.

**Subd. 7. [PLAN FOR USE OF ADMINISTRATIVE PENALTIES AND CEASE AND DESIST AUTHORITY.]** The commissioner of health shall prepare a plan for using the administrative penalty and cease and desist authority in this section. The commissioner shall provide a 30-day period for public comment on the plan. The plan must be finalized by December 1, 1993.

**Subd. 8. [DENIAL OR REFUSAL TO REISSUE PERMITS, LICENSES, REGISTRATIONS, OR CERTIFICATES.]** (a) The commissioner may deny or refuse to renew an application for a permit, license, registration, or certificate required under the statutes or rules cited in subdivision 1, if the applicant has any unresolved violations related to the activity for which the permit, license, registration, or certificate was issued.

(b) The commissioner may also deny or refuse to renew a permit, license, registration, or certificate required under the statutes or rules cited in subdivision 1 if the applicant has a persistent pattern of violations related to the permit, license, registration, or certificate, or if the applicant submitted false material information to the department in connection with the application.

(c) *The commissioner may condition the grant or renewal of a permit, license, registration, or certificate on a demonstration by the applicant that actions needed to ensure compliance with the requirements of the statutes listed in subdivision 1 have been taken, or may place conditions on or issue a limited permit, license, registration, or certificate as a result of previous violations by the applicant.*

**Subd. 9. [SUSPENSION OR REVOCATION OF PERMITS, LICENSES, REGISTRATIONS, OR CERTIFICATES.]** *The commissioner may suspend, place conditions on, or revoke a permit, license, registration, or certificate issued under the statutes or rules cited in subdivision 1 for serious or repeated violations of the requirements in the statutes, rules, or other actions listed in subdivision 1 that apply to the permit, license, registration, or certificate, or if the applicant submitted false material information to the department in connection with the permit, license, registration, or certificate.*

**Subd. 10. [HEARINGS RELATED TO DENIAL, REFUSAL TO RENEW, SUSPENSION, OR REVOCATION OF A PERMIT, LICENSE, REGISTRATION, OR CERTIFICATE.]** *If the commissioner proposes to deny, refuses to renew, suspends, or revokes a permit, license, registration, or certificate under subdivision 8 or 9, the commissioner must first notify the person against whom the action is proposed to be taken and provide the person an opportunity to request a hearing under the contested case provisions of chapter 14. If the person does not request a hearing by notifying the commissioner within 20 days after receipt of the notice of proposed action, the commissioner may proceed with the action without a hearing.*

**Subd. 11. [MISDEMEANOR PENALTIES.]** *A person convicted of violating a statute or rule listed in subdivision 1 is guilty of a misdemeanor.*

**Sec. 9. [144.991] [ADMINISTRATIVE PENALTY ORDER PROCEDURE.]**

**Subdivision 1. [AMOUNT OF PENALTY; CONSIDERATIONS.]** (a) *In determining the amount of a penalty under section 144.99, subdivision 4, the commissioner may consider:*

- (1) *the willfulness of the violation;*
- (2) *the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;*
- (3) *the history of past violations;*
- (4) *the number of violations;*
- (5) *the economic benefit gained by the person by allowing or committing the violation; and*
- (6) *other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.*

(b) *For a violation after an initial violation, the commissioner shall, in determining the amount of a penalty, consider the factors in paragraph (a) and the:*

- (1) *similarity of the most recent previous violation and the violation to be penalized;*
- (2) *time elapsed since the last violation;*



(3) number of previous violations; and

(4) response of the person to the most recent previous violation identified.

Subd. 2. [CONTENTS OF ORDER.] An order assessing an administrative penalty under section 144.99, subdivision 4, must include:

(1) a concise statement of the facts alleged to constitute a violation;

(2) a reference to the section of the statute, rule, variance, order, stipulation agreement, or term or condition of a permit that has been violated;

(3) a statement of the amount of the administrative penalty to be imposed and the factors upon which the penalty is based; and

(4) a statement of the person's right to review of the order.

Subd. 3. [CORRECTIVE ORDER.] (a) The commissioner may issue an order assessing a penalty and requiring the violations cited in the order to be corrected within 30 calendar days from the date the order is received.

(b) The person to whom the order was issued shall provide information to the commissioner before the 31st day after the order was received demonstrating that the violation has been corrected or developed a corrective plan acceptable to the commissioner. The commissioner shall determine whether the violation has been corrected and notify the person subject to the order of the commissioner's determination.

Subd. 4. [PENALTY.] (a) Except as provided in paragraph (b), if the commissioner determines that the violation has been corrected or developed a corrective plan acceptable to the commissioner, the penalty must be forgiven. Unless the person requests review of the order under subdivision 5 before the penalty is due, the penalty in the order is due and payable:

(1) on the 31st day after the order was received, if the person subject to the order fails to provide information to the commissioner showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation; or

(2) on the 20th day after the person receives the commissioner's determination under paragraph (b), if the person subject to the order has provided information to the commissioner that the commissioner determines is not sufficient to show the violation has been corrected or that appropriate steps have been taken toward correcting the violation.

(b) For repeated or serious violations, the commissioner may issue an order with a penalty that will not be forgiven after the corrective action is taken. The penalty is due by 31 days after the order was received unless review of the order under subdivision 5 has been sought.

(c) Interest at the rate established in section 549.09 begins to accrue on penalties under this subdivision on the 31st day after the order with the penalty was received.

Subd. 5. [EXPEDITED ADMINISTRATIVE HEARING.] (a) Within 30 days after receiving an order or within 20 days after receiving notice that the commissioner has determined that a violation has not been corrected or appropriate steps have not been taken, the person subject to an order under this section may request an expedited hearing, utilizing the procedures of Minnesota Rules, parts 1400.8510 to 1400.8612, to review the commission-

er's action. The hearing request must specifically state the reasons for seeking review of the order. The person to whom the order is directed and the commissioner are the parties to the expedited hearing. The commissioner must notify the person to whom the order is directed of the time and place of the hearing at least 20 days before the hearing. The expedited hearing must be held within 30 days after a request for hearing has been filed with the commissioner unless the parties agree to a later date.

(b) All written arguments must be submitted within ten days following the close of the hearing. The hearing shall be conducted under Minnesota Rules, parts 1400.8510 to 1400.8612, as modified by this subdivision. The office of administrative hearings may, in consultation with the agency, adopt rules specifically applicable to cases under this section.

(c) The administrative law judge shall issue a report making recommendations about the commissioner's action to the commissioner within 30 days following the close of the record. The administrative law judge may not recommend a change in the amount of the proposed penalty unless the administrative law judge determines that, based on the factors in subdivision 2, the amount of the penalty is unreasonable.

(d) If the administrative law judge makes a finding that the hearing was requested solely for purposes of delay or that the hearing request was frivolous, the commissioner may add to the amount of the penalty the costs charged to the agency by the office of administrative hearings for the hearing.

(e) If a hearing has been held, the commissioner may not issue a final order until at least five days after receipt of the report of the administrative law judge. The person to whom an order is issued may, within those five days, comment to the commissioner on the recommendations and the commissioner will consider the comments. The final order may be appealed in the manner provided in sections 14.63 to 14.69.

(f) If a hearing has been held and a final order issued by the commissioner, the penalty shall be paid by 30 days after the date the final order is received unless review of the final order is requested under sections 14.63 to 14.69. If review is not requested or the order is reviewed and upheld, the amount due is the penalty, together with interest accruing from 31 days after the original order was received at the rate established in section 549.09.

Subd. 6. [MEDIATION.] In addition to review under subdivision 5, the commissioner is authorized to enter into mediation concerning an order issued under this section if the commissioner and the person to whom the order is issued both agree to mediation.

Subd. 7. [ENFORCEMENT.] (a) The attorney general may proceed on behalf of the state to enforce penalties that are due and payable under this section in any manner provided by law for the collection of debts.

(b) The attorney general may petition the district court to file the administrative order as an order of the court. At any court hearing, the only issues parties may contest are procedural and notice issues. Once entered, the administrative order may be enforced in the same manner as a final judgment of the district court.

(c) If a person fails to pay the penalty, the attorney general may bring a civil action in district court seeking payment of the penalties, injunctive, or other

*appropriate relief including monetary damages, attorney fees, costs, and interest.*

**Subd. 8. [REVOCAION AND SUSPENSION OF PERMIT, LICENSE, REGISTRATION, OR CERTIFICATE.]** *If a person fails to pay a penalty owed under this section, the agency has grounds to revoke or refuse to reissue or renew a permit, license, registration, or certificate issued by the department.*

**Subd. 9. [CUMULATIVE REMEDY.]** *The authority of the agency to issue a corrective order assessing penalties is in addition to other remedies available under statutory or common law, except that the state may not seek civil penalties under any other provision of law for the violations covered by the administrative penalty order. The payment of a penalty does not preclude the use of other enforcement provisions, under which penalties are not assessed, in connection with the violation for which the penalty was assessed.*

**Sec. 10. [144.992] [FALSE INFORMATION.]**

*A person subject to any of the requirements listed in section 144.99, subdivision 1, may not make a false material statement, representation, or certification in; omit material information from; or alter, conceal, or fail to file or maintain a notice, application, record, report, plan, or other document required under the statutes, rules, or other actions listed in section 144.99, subdivision 1.*

**Sec. 11. [144.993] [RECOVERY OF LITIGATION COSTS AND EXPENSES.]**

*In any judicial action brought by the attorney general for civil penalties, injunctive relief, or an action to compel performance pursuant to the authority cited in section 144.99, subdivision 1, if the state finally prevails, and if the proven violation was willful, the state, in addition to other penalties provided by law, may be allowed an amount determined by the court to be the reasonable value of all or part of the litigation expenses incurred by the state. In determining the amount of the litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.*

**Sec. 12.** Minnesota Statutes 1992, section 145A.07, subdivision 1, is amended to read:

**Subdivision 1. [AGREEMENTS TO PERFORM DUTIES OF COMMISSIONER.]** (a) The commissioner of health may enter into an agreement with any board of health to delegate all or part of the licensing, inspection, reporting, and enforcement duties authorized under sections 144.12; 144.381 to 144.387; 144.411 to 144.417; 144.71 to ~~144.76~~ 144.74; 145A.04, subdivision 6; provisions of chapter 156A pertaining to construction, repair, and abandonment of water wells; chapter 157; and sections 327.14 to 327.28.

(b) Agreements are subject to subdivision 3.

(c) This subdivision does not affect agreements entered into under Minnesota Statutes 1986, section 145.031, 145.55, or 145.918, subdivision 2.

**Sec. 13.** Minnesota Statutes 1992, section 148.89, is amended by adding a subdivision to read:

**Subd. 2a. [CLIENT.]** "Client" means a person or entity that receives, received, or should have received services from a person regulated under

sections 148.88 to 148.98. For the purposes of sections 148.88 to 148.98, "client" includes patient and resident.

Sec. 14. Minnesota Statutes 1992, section 148.905, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The board shall:

(1) adopt and enforce rules for licensing psychologists and for regulating their professional conduct. The rules must include, but are not limited to, standards for training, supervision, the practice of psychology, and any other areas covered by sections 148.88 to 148.98;

(2) adopt rules that provide for examinations and establish a code of professional ethics and requirements for continuing education;

(3) hold examinations at least once a year to assess applicants' knowledge and skills. The examinations may be written or oral or both, and may be administered by the board or by institutions or individuals designated by the board;

(4) issue licenses to individuals qualified under section 148.91, according to the procedures for licensing in Minnesota Rules;

(5) issue copies of the rules for licensing to all applicants;

(6) establish and maintain annually a register of current licenses;

(7) establish reasonable fees for the issuance and renewal of licenses and other services by the board. Fees must be set to defray the cost of administering the provisions of sections 148.88 to 148.98 including applications, examinations, enforcement, and the cost of maintaining the operations of the board;

(8) educate the public about the requirements for licensing of psychologists and about the code of professional ethics, to allow consumers to file complaints against licensees who may have violated licensing requirements or professional ethics; *and*

(9) establish or approve programs that qualify for professional psychology continuing educational credit. The board may hire consultants, agencies, or professional psychological associations to establish and approve continuing education courses; *and*

~~(10) establish and implement, by January 1, 1992, a process for certifying psychologists' competencies in specialty areas, including but not limited to the area of supervision. The process shall include steps to verify that a psychologist has had adequate education and experience in a specialty area to be considered competent to practice in that area. Recertification of competencies declared prior to August 1, 1991, shall not be required.~~

Sec. 15. Minnesota Statutes 1992, section 148.921, subdivision 2, is amended to read:

Subd. 2. [PERSONS PREVIOUSLY QUALIFIED.] (a) The board shall grant a license for a licensed psychologist ~~without further examination~~ to a person who:

(1) before November 1, 1991, entered a graduate program granting a master's degree with a major in psychology at an educational institution

meeting the standards the board has established by rule and earned a master's degree or a master's equivalent in a doctoral program;

(2) before ~~November 1~~ December 31, 1992 1993, filed with the board a written declaration of intent to seek licensure under this subdivision;

(3) complied with all requirements of section 148.91, subdivisions 2 to 4, before December 31, 1997; and

(4) completed at least two full years or their equivalent of post-master's supervised psychological employment before December 31, 1998.

*(b) Notwithstanding paragraph (a), the board shall not grant a license for a licensed psychologist under this subdivision to a person who files a written declaration of licensure after October 31, 1992, unless the applicant demonstrates that the applicant was a resident of Minnesota on October 31, 1992, and meets all other requirements for licensure under this subdivision.*

Sec. 16. Minnesota Statutes 1992, section 148.921, subdivision 3, is amended to read:

Subd. 3. [RECIPROCIITY.] The board may grant a license without an examination to a diplomate of the American Board of Professional Psychology or to any person who at the time of application is licensed or certified by a ~~similar~~ board of another state whose standards, in the judgment of the board, ~~are not lower than those required by~~ and who meets the licensure requirements under section 148.91. The board, at its discretion, may not require the skills assessment and the examination in psychology under section 148.91, subdivision 2, if the person was licensed in another state before the examination was required for licensure in that state. An applicant for reciprocity shall pass a written, objective examination on the rules of the board of psychology and sections 148.88 to 148.98.

Sec. 17. Minnesota Statutes 1992, section 148.925, subdivision 1, is amended to read:

Subdivision 1. [PERSONS QUALIFIED TO PROVIDE SUPERVISION.]  
(a) Only the following persons are qualified to provide supervision for master's degree level applicants for licensure as a licensed psychologist:

(1) a licensed psychologist with a competency in supervision in professional psychology and in the area of practice being supervised; and

(2) a person who either is eligible for licensure as a licensed psychologist under section 148.91 or is eligible for licensure by reciprocity, and who, in the judgment of the board, is competent or experienced in supervising professional psychology and in the area of practice being supervised.

(b) Professional supervision of a doctoral level applicant for licensure as a licensed psychologist must be provided by a person:

(1) who meets the requirements of paragraph (a), clause (1) or (2), and

(2)(i) who has a doctorate degree with a major in psychology, or

(ii) who was licensed by the board as a psychologist before August 1, 1991, and is certified by the board as competent in supervision of applicants for licensure ~~in accord with section 148.905, subdivision 1, clause (10), by August 1, 1993.~~

Sec. 18. [148.941] [DENIAL, REVOCATION, AND SUSPENSION OF LICENSES; DISCIPLINARY ACTION.]

*Subdivision 1. [GENERALLY.] Except as otherwise described in this section, all hearings shall be conducted under chapter 14.*

*Subd. 2. [GROUNDS FOR DISCIPLINARY ACTION; FORMS OF DISCIPLINARY ACTION.] (a) The board may impose disciplinary action as described in paragraph (b) against an applicant or licensee whom the board, by a preponderance of the evidence, determines:*

*(1) has violated a statute, rule, or order that the board issued or is empowered to enforce;*

*(2) has engaged in fraudulent, deceptive, or dishonest conduct, whether or not the conduct relates to the practice of psychology, that adversely affects the person's ability or fitness to practice psychology;*

*(3) has engaged in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;*

*(4) has been convicted of or has pled guilty or nolo contendere to a felony or crime, an element of which is dishonesty or fraud, or has been shown to have engaged in acts or practices tending to show that the applicant or licensee is incompetent or engaged in conduct reflecting adversely on the applicant's or licensee's ability or fitness to engage in the practice of psychology;*

*(5) has employed fraud or deception in obtaining or renewing a license, or in passing the examination;*

*(6) has had a psychology license, certificate, right to examine, or other similar authority revoked, suspended, canceled, limited, or not renewed for cause in any state, commonwealth, or territory of the United States, the District of Columbia, or any foreign country;*

*(7) has failed to meet any requirement for the issuance or renewal of the person's license;*

*(8) has failed to cooperate with an investigation of the board as required under subdivision 4; or*

*(9) has violated the code of ethics adopted by the board.*

*For the purposes of clause (7), the burden of proof is on the applicant to demonstrate the qualifications or satisfy the requirements for a license under sections 148.88 to 148.98.*

*(b) If grounds for disciplinary action exist under paragraph (a), the board may take one or more of the following actions:*

*(1) refuse to grant or renew a license;*

*(2) revoke a license;*

*(3) suspend a license;*

(4) impose limitations or conditions on a licensee's practice of psychology, including limiting the scope of practice to designated competencies, imposing retraining or rehabilitation requirements, requiring the licensee to practice under supervision, or conditioning continued practice on the demonstration of knowledge or skill by appropriate examination or other review of skill and competence;

(5) censure or reprimand the licensee; or

(6) refuse to permit an applicant to take the licensure examination or refuse to release an applicant's examination grade if the board finds that it is in the public interest.

(c) In lieu of or in addition to paragraph (b), the board may require, as a condition of continued licensure, termination of suspension, reinstatement of license, examination, or release of examination grades, that the applicant or licensee:

(1) submit to a quality review, as specified by the board, of the applicant's or licensee's ability, skills, or quality of work; and

(2) complete to the satisfaction of the board educational courses specified by the board.

(d) Service of the order is effective if the order is served on the applicant, licensee, or counsel of record personally or by mail to the most recent address provided to the board for the licensee, applicant, or counsel of record. The order shall state the reasons for the entry of the order.

Subd. 3. [TEMPORARY SUSPENSION OF LICENSE.] (a) In addition to any other remedy provided by law, the board may temporarily suspend the credentials of a licensee after conducting a preliminary inquiry to determine if the board reasonably believes that the licensee has violated a statute or rule that the board is empowered to enforce and continued practice by the licensee would create an imminent risk of harm to others.

(b) The order may prohibit the licensee from engaging in the practice of psychology in whole or in part and may condition the end of a suspension on the licensee's compliance with a statute, rule, or order that the board has issued or is empowered to enforce.

(c) The order shall give notice of the right to a hearing pursuant to this subdivision and shall state the reasons for the entry of the order.

(d) Service of the order is effective when the order is served on the licensee personally or by certified mail which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the board for the licensee.

(e) At the time the board issues a temporary suspension order, the board shall schedule a hearing to be held before its own members which shall begin no later than 60 days after issuance of the temporary suspension order or within 15 working days of the date of the board's receipt of a request for hearing by a licensee on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. This hearing is not subject to chapter 14. Evidence presented by the board or the licensee shall be in affidavit form only. The licensee or counsel of record may appear for oral argument.

(f) *Within five working days of the hearing, the board shall issue its order and, if the suspension is continued, schedule a contested case hearing within 30 days of the issuance of the order. Notwithstanding chapter 14, the administrative law judge shall issue a report within 30 days after closing the contested case hearing record. The board shall issue a final order within 30 days of receipt of the administrative law judge's report.*

*Subd. 4. [COOPERATION OF APPLICANT OR LICENSEE FOR INVESTIGATIONS.] (a) An applicant or licensee of the board who is the subject of an investigation or who is questioned in connection with an investigation by or on behalf of the board shall cooperate fully with the investigation. Cooperation includes responding fully to any question raised by or on behalf of the board relating to the subject of the investigation, executing all releases requested by the board, providing copies of client records, as reasonably requested by the board to assist it in its investigation, and appearing at conferences or hearings scheduled by the board or its staff. The board shall pay reasonable costs for copies requested. An applicant or licensee who is questioned in connection with an investigation shall respond within two weeks, unless the request for information is made pursuant to a subpoena in which a shorter time period is indicated. In its discretion, the board or its designee may grant a time extension if the request for an extension is in writing and states the reason why more time is necessary.*

*(b) If the board does not have a written consent from a client permitting access to the client's records, the licensee may delete any data in the record which identifies the client before providing it to the board. The board shall maintain any records obtained pursuant to this section as investigative data pursuant to chapter 13.*

Sec. 19. Minnesota Statutes 1992, section 148.98, is amended to read:

148.98 [CODE OF ETHICS.]

The board shall adopt a code of ethics to govern ~~appropriate~~ *an applicant's or licensee's practices or behavior, as referred to in section 148.89.* The board shall publish the code in the State Register and file the code with the secretary of state at least 30 days prior to the effective date of the code. The code of ethics shall include, but is not limited to, the principles in paragraphs (a) to (c).

(a) The psychologist shall recognize the boundaries of the psychologist's competence and the limitation of the psychologist's techniques and shall not offer services or use techniques that fail to meet usual and customary professional standards.

(b) The psychologist who engages in practice shall assist clients in obtaining professional help for all important aspects of their problems that fall outside the boundaries of the psychologist's competence.

(c) A psychologist shall not claim either directly or by implication professional qualifications that differ from the psychologist's actual qualifications, nor shall the psychologist misrepresent the psychologist's affiliation with any institution, organization, or individual, nor lead others to assume an affiliation that does not exist.

Sec. 20. Minnesota Statutes 1992, section 326.37, subdivision 1, is amended to read:



Subdivision 1. [RULES.] The state commissioner of health may, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new plumbing installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which located. ~~Violation of the rules shall be a misdemeanor.~~

The commissioner shall administer the provisions of sections 326.37 to 326.45 and for such purposes may employ plumbing inspectors and other assistants.

Sec. 21. Minnesota Statutes 1992, section 327.16, subdivision 6, is amended to read:

Subd. 6. [DENIAL OF CONSTRUCTION.] If the application to construct or make alterations upon a manufactured home park or recreational camping area and the appurtenances thereto or a primary license to operate and maintain the same is denied by the state commissioner of health, the commissioner shall so state in writing giving the reason or reasons for denying the application. If the objections can be corrected the applicant may amend the application and resubmit it for approval, and if denied the applicant may appeal from the decision of the state commissioner of health as provided in section ~~327.18~~ 144.99, subdivision 10.

Sec. 22. Minnesota Statutes 1992, section 327.20, subdivision 2, is amended to read:

Subd. 2. [HEALTH AND SAFETY.] The state department of health may prescribe such rules for the operation and maintenance of manufactured home parks or recreational camping areas and for safeguarding the health and safety of persons occupying licensed manufactured home parks and recreational camping areas as the department shall deem to be necessary and expedient. Such rules pertaining to health and safety shall have the force and effect of law; ~~and any violation thereof shall constitute a misdemeanor; and upon conviction therefor the offender may be punished as otherwise provided by law.~~

Sec. 23. [MODEL ORDINANCE.]

*The department of health, in consultation with the attorney general, must by August 1, 1994, develop and make available to local governments who manage delegated environmental health programs a model ordinance for an administrative penalty order process similar to the process established in Minnesota Statutes, sections 144.99 and 144.991.*

Sec. 24. [NOTICE.]

*Before September 1, 1993, the board shall notify all Minnesota educational institutions which grant a master's degree with a major in psychology, and all individuals it knows to have missed the November 1, 1992, deadline under Minnesota Statutes, section 148.921, subdivision 2, that the deadline for filing the declaration of intent to seek licensure is extended to December 31, 1993.*

Sec. 25. [REPEALER.]

*Minnesota Statutes 1992, sections 1031.701; 1031.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2, are repealed.*

Sec. 26. [EFFECTIVE DATE.]

*Sections 15 and 24 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to health occupations and professions; board of psychology; extending deadline by which previously qualified persons may file a declaration of intent to seek licensure as a licensed psychologist without further examination; requiring the board to issue notices of extension; modifying reciprocity licensing requirement; providing for disciplinary actions; consolidating and modifying enforcement remedies; providing penalties; amending Minnesota Statutes 1992, sections 1031.345, subdivision 1; 116.75; 116.76, subdivision 1; 116.77; 116.82, subdivision 3; 144.71, subdivision 1; 145A.07, subdivision 1; 148.89, by adding a subdivision; 148.905, subdivision 1; 148.921; subdivisions 2 and 3; 148.925, subdivision 1; 148.98; 326.37, subdivision 1; 327.16, subdivision 6; and 327.20, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 144; and 148; repealing Minnesota Statutes 1992, sections 1031.701; 1031.705; 116.83; 144.1211; 144.386, subdivision 4; 144.73, subdivisions 2, 3, and 4; 144.76; 157.081; 326.43; 326.53, subdivision 2; 326.63; 326.78, subdivisions 4, 6, 7, and 8; 326.79; 326.80; 327.18; and 327.24, subdivisions 1 and 2."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 480: A bill for an act relating to workers' compensation; requiring appointment of guardians and conservators for minors and incapacitated persons; amending Minnesota Statutes 1992, sections 176.091; 176.111, subdivision 5; and 176.521, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 176; and 525.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Reichgott from the Committee on Judiciary, to which was re-referred

S.F. No. 338: A bill for an act relating to economic development; creating Minnesota Business Finance, Inc. to provide capital for commercial borrowers through the Small Business Administration; providing for powers and duties of a board of directors and employees; transferring funds from the certified development company established under the department of trade and economic development to the new corporation; proposing coding for new law as Minnesota Statutes, chapter 116S; repealing Minnesota Statutes 1992, sections 41A.065 and 116J.985.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

*Subd. 27a. [MINNESOTA BUSINESS FINANCE, INC.] Certain data of Minnesota Business Finance, Inc., are classified under section 3.”*

Page 2, line 15, delete “4” and insert “5”

Page 2, line 28, before “Board” insert “Except as provided in subdivision 7,” and delete the comma and insert a period

Page 2, delete line 29

Page 2, line 33, delete everything after “meeting”

Page 2, line 34, delete everything before “if”

Page 2, line 35, delete “would be” and insert “is”

Page 2, line 36, delete “at a” and insert “for the”

Page 3, line 4, delete “authorized under subdivision 6” and insert “for purposes of discussing data described in subdivision 8 or security information, trade secret information, or labor relations information, as defined in section 13.37, subdivision 1”

Page 3, line 9, delete everything after “recorded” and insert a period

Page 3, delete lines 10 to 25 and insert “The data on the tape are nonpublic data or private data on individuals as defined in section 13.02, subdivision 9 or 12, whichever is applicable.”

*Subd. 8. [APPLICATION AND INVESTIGATIVE DATA.] Financial data, statistics, and information furnished to the corporation in connection with assistance or proposed assistance, including credit reports, financial statements, statements of net worth, income tax returns, either personal or corporate, and any other business and personal financial records are 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.”*

Page 3, after line 32, insert:

*“Subd. 11. [DATA PRACTICES AND RECORDS MANAGEMENT.] The corporation is subject to chapter 13 and sections 15.17 and 138.163 to 138.226.”*

Page 4, line 18, delete “2” and insert “3”

Page 5, line 11, delete “2” and insert “3”

Page 6, line 23, delete “9” and insert “10”

Page 6, line 26, delete “2” and insert “3”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert “appropriating money; amending Minnesota Statutes 1992, section 13.99, 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. Spear from the Committee on Crime Prevention, to which was re-referred

S.F. No. 403: A bill for an act relating to housing and hotels; amending reasons for innkeeper ejection and refusal to admit persons; establishing parent or guardian responsibility for guests who are minors; establishing liability for damage to hotel or personal property or injury to persons; increasing the penalty for setting fire to hotel belongings; requiring notice; amending Minnesota Statutes 1992, sections 327.70, subdivision 3, and by adding a subdivision; 327.73, subdivisions 1 and 2; and 327.74, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 327.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 2

Page 4, after line 17, insert:

“Sec. 6. [EFFECTIVE DATE.]

*Section 5 is effective October 1, 1993, and applies to crimes committed on or after that date.”*

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 9 and 10, delete “, and by adding a subdivision”

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. 1570: A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resources, and agricultural purposes; regulating the amounts, impositions, and processing of various fees prescribed for various licenses issued and activities regulated by the departments of agriculture and natural resources; amending Minnesota Statutes 1992, sections 28A.08; 84B.11, subdivision 1; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 90.031, subdivision 4; 90.101, subdivision 1; 90.121; 92.46, subdivision 1; 97A.055, subdivision 1, and by adding a subdivision; 97A.071, subdivision 2; 97A.075, subdivision 4; 103F.725, by adding a subdivision; 115A.96, by adding a subdivision; and 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 89.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [ENVIRONMENT AND NATURAL RESOURCES; APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures “1993,” “1994,” and “1995,” where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1993, June 30, 1994, or June 30, 1995, respectively.

SUMMARY BY FUND

	1993	1994	1995	TOTAL
General	\$120,000	\$144,780,000	\$141,517,000	\$286,417,000
Environmental		26,172,000	26,432,000	52,604,000
Metro Landfill				
Contingency Trust		797,000	797,000	1,594,000
Special Revenue		10,296,000	10,331,000	20,627,000
Natural Resources		17,259,000	17,025,000	34,284,000
Game and Fish		51,044,000	50,869,000	101,913,000
Permanent				
School Trust	120,000	386,000	104,000	610,000
Minnesota Resources		14,662,000		14,662,000
Environmental Trust		24,600,000		24,600,000
Oil Overcharge		2,012,000		2,012,000
TOTAL	240,000	292,008,000	247,075,000	539,323,000

APPROPRIATIONS  
Available for the Year  
Ending June 30  
1994                      1995

Sec. 2. POLLUTION CONTROL  
AGENCY

Subdivision 1. Total Appropriation                      35,165,000                      33,138,000

Summary by Fund

General	8,898,000	6,541,000
Environmental	24,635,000	24,965,000
Metro Landfill		
Contingency	797,000	797,000
Special Revenue	835,000	835,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Water Pollution Control

7,865,000                      5,468,000

## Summary by Fund

General	5,873,000	3,476,000
Environmental	1,992,000	1,992,000

\$1,946,000 the first year is for grants to local units of government for the clean water partnership program. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

## Subd. 3. Air Pollution Control

6,627,000      6,673,000

## Summary by Fund

Environmental	5,792,000	5,838,000
Special Revenue	835,000	835,000

\$425,000 the first year and \$295,000 the second year are from the environmental fund for the toxic substance air monitoring and inventory program under Minnesota Statutes, section 116.454.

## Subd. 4. Groundwater and Solid Waste Pollution Control

9,337,000      9,329,000

## Summary by Fund

Environmental	8,548,000	8,540,000
Metro Landfill Contingency	789,000	789,000

All money in the environmental response, compensation, and compliance account in the environmental fund not otherwise appropriated is appropriated to the commissioners of the pollution control agency and the department of agriculture for purposes of Minnesota Statutes, section 115B.20, subdivision 2, clauses (1), (2), (3), (4), (11), (12), and (13). At the beginning of each fiscal year, the two commissioners shall jointly submit an annual spending plan to the commissioner of finance that maximizes the utilization of resources and appropriately allocates the money between the two agencies. This appropriation is available until June 30, 1995.

\$3,800,000 the first year and \$4,000,000 the second year is from the landfill

cleanup account in the environmental fund for the purposes specified in Minnesota Statutes, section 115B.42.

All money in the metropolitan landfill abatement account in the environmental 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 shall report to the legislative commission on waste management its budget and work program for spending this appropriation.

Any unencumbered balance from the metropolitan landfill contingency action trust fund remaining in the first year does not cancel but is available for the second year.

The commissioner of the pollution control agency shall evaluate the feasibility of using a 900 telephone number as a means of ensuring that the agency recovers its costs for the property transfer program under Minnesota Statutes, section 115B.17, subdivision 14.

Subd. 5. Hazardous Waste Pollution Control

5,056,000      5,096,000

Summary by Fund

General	1,663,000	1,703,000
Environmental	3,393,000	3,393,000

\$250,000 the first year and \$250,000 the second year is from the environmental fund for the purposes of the hazardous waste generator loan program established in section 115B.223.

The commissioner of the pollution control agency shall evaluate the feasibility of using a 900 telephone number as a means of ensuring that the agency recovers its costs of providing assistance under Minnesota Statutes, section 115C.03, subdivision 9.

Subd. 6. Regional Support

52,000      52,000

This appropriation is from the environmental fund.

Subd. 7. General Support

6,228,000      6,520,000

Summary by Fund

General	1,362,000	1,362,000
Environmental	4,858,000	5,150,000
Metro Landfill		
Contingency	8,000	8,000

Sec. 3. OFFICE OF WASTE MANAGEMENT

20,236,000      20,456,000

Summary by Fund

General	19,196,000	19,286,000
Environmental	1,040,000	1,170,000

\$14,008,000 the first year and \$14,008,000 the second year are for SCORE block grants to counties.

\$1,327,000 the first year and \$1,332,000 the second year are for grants for market development, source reduction, and pollution prevention. Of these amounts, \$103,000 the first year and \$190,000 the second year from the environmental fund, and \$47,000 the first year and \$50,000 the second year from the general fund, are for pollution prevention grants. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$50,000 the first year and \$90,000 the second year are from the environmental fund for payment of a grant to the Minnesota technical assistance program.

Notwithstanding Minnesota Statutes, chapter 115A, money from this appropriation may, at the discretion of the director, be used for demonstration or pilot programs for farm animal waste management techniques or facilities. This money may not be used for these programs unless the director has notified the chairs of the legislative committees or divisions with jurisdiction over appropriations for environmental and natural resources activities.

Sec. 4. ZOOLOGICAL BOARD

5,048,000      5,051,000



## Sec. 5. NATURAL RESOURCES

Subdivision 1. Total Appropriation	148,783,000	147,238,000
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## Summary by Fund

General	80,094,000	79,240,000
Game and Fish	51,044,000	50,869,000
Natural Resources	17,259,000	17,025,000
Permanent School	386,000	104,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

## Subd. 2. Mineral Resources Management

4,611,000	4,589,000
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\$311,000 the first year and \$311,000 the second year are for iron ore cooperative research, of which \$200,000 the first year and \$200,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$355,000 the first year and \$355,000 the second year are for mineral diversification. Any unencumbered balance remaining in the first year does not cancel but is available for the second year. The commissioner is authorized one position in the unclassified service for minerals diversification.

## Subd. 3. Water Resources Management

7,991,000	7,740,000
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## Summary by Fund

General	7,894,000	7,643,000
Natural Resources	97,000	97,000

\$35,000 the first year is for reimbursement of the cost of emergency flood damage repairs to the dike on the Root river in Hokah township, section 32. The commissioner of natural resources shall pursue any federal funds that might be available for this project.

\$230,000 is for payment of a grant to the metropolitan council for development of a mathematical, state-of-the-art groundwater model for the seven-county metropol-

itan area. The funds are available for the biennium ending June 30, 1995. This appropriation is available only if matched by \$100,000 from nonstate sources.

#### Subd. 4. Forest Management

27,223,000      25,995,000

##### Summary by Fund

General	26,590,000	25,362,000
Game and Fish	312,000	312,000
Natural Resources	321,000	321,000

\$735,000 the first year and \$735,000 the second year are for presuppression and suppression costs of emergency fire fighting. If these appropriations are insufficient to cover all costs of suppression, the amount necessary to pay for emergency firefighting expenses during the biennium is appropriated from the general fund.

\$114,000 the first year and \$114,000 the second year from the general fund under Minnesota Statutes, section 89.04, are for grants to the board of water and soil resources for cost-sharing with landowners in the state forest improvement program. This appropriation is not subject to any budget reductions made in the agency.

The commissioner of natural resources shall continue the oak regeneration technical assistance program described in Laws 1991, chapter 254, article 1, section 14, subdivision 7, paragraph (e).

#### Subd. 5. Parks and Recreation Management

22,448,000      22,906,000

##### Summary by Fund

General	21,861,000	22,319,000
Natural Resources	587,000	587,000

\$587,000 the first year and \$587,000 the second year are from the water recreation account in the natural resources fund for state park development projects. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

\$2,238,000 the first year and \$2,238,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

As cash flow permits, \$200,000 the first year and \$200,000 the second year are transferred from the state parks working capital account in the special revenue fund to the general fund and are appropriated for state park resource management and interpretive programs. No money shall be spent on the resource management or interpretive programs until all expenses attributable to the revenue producing program have been covered.

The commissioner of natural resources shall study the management and operational costs of the state park system and evaluate alternative funding approaches for the system. Results of the study must be reported to the legislature by July 1, 1994, and must include a review of the size, type, and number of units within the system; alternative management strategies and organizational structures; revenue generating alternatives; potential stable funding sources; and potential alternatives for reducing costs and improving self-sufficiency.

Any increase in general fund appropriations for state parks for each year of the biennium ending June 30, 1995, above the amount appropriated for fiscal year 1993 must be used only for state park field operations.

#### Subd. 6. Trails and Waterways

10,403,000      10,595,000

#### Summary by Fund

General	1,125,000	1,163,000
Game and Fish	814,000	814,000
Natural Resources	8,464,000	8,618,000

\$2,249,000 the first year and \$2,249,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

## Subd. 7. Fish and Wildlife Management

35,717,000	35,730,000
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## Summary by Fund

General	2,444,000	2,460,000
Game and Fish	31,556,000	31,551,000
Natural Resources	1,717,000	1,719,000

\$874,000 the first year and \$874,000 the second year are appropriated from the game and fish fund for payments to counties in lieu of taxes on acquired wildlife lands and are not subject to transfer.

\$950,000 the first year and \$951,000 the second year are from the nongame wildlife management account in the natural resources 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. The commissioner of natural resources shall submit to the legislature by January 15, 1994, a budget request to spend any excess receipts from the nongame checkoff.

\$1,310,000 the first year and \$1,310,000 the second year are for the reinvest in Minnesota programs of game and fish, critical habitat, and wetlands established under Minnesota Statutes, section 84.95, subdivision 2. Any unencumbered balance for the first year does not cancel but is available for use the second year.

\$810,000 the first year and \$2,618,000 the second year are from the fish management intensification account and \$1,440,000 the first year is from the game and fish fund for only the purposes specified in Minnesota Statutes, section 97A.065, subdivision 3.

\$1,342,000 the first year and \$1,342,000 the second year are from the wildlife acquisition account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 3. Of these amounts, \$540,000 the first year and \$360,000 the second year are for acquisition, \$360,000 the first year and \$540,000 the second year are for development, and \$120,000 each year is for ditch assessments. \$322,000 each year is

for development work performed by participants in youth programs.

\$975,000 the first year and \$1,041,000 the second year are from the deer habitat improvement account, and \$225,000 the first year and \$159,000 the second year are from the game and fish fund, for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (b).

\$554,000 the first year and \$554,000 the second year are from the deer and bear management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

\$222,000 the first year and \$485,000 the second year are from the waterfowl habitat improvement account, and \$486,000 the first year and \$224,000 the second year are from the game and fish fund, for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

\$531,000 the first year and \$531,000 the second year are from the trout stream management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 3.

\$605,000 the first year and \$605,000 the second year are from the pheasant habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 4.

\$390,000 the first year and \$370,000 the second year are from the game and fish fund for activities relating to reduction and prevention of property damage by wildlife. Of these amounts, \$110,000 and two full-time equivalent positions each year is for technical assistance, \$95,000 and two full-time equivalent positions each year is for continued development of the geographic information system for wildlife management, and \$100,000 each year is for emergency damage abatement materials.

Subd. 8. Enforcement

15,635,000      15,475,000

## Summary by Fund

General	2,713,000	2,683,000
Game and Fish	10,322,000	10,195,000
Natural Resources	2,600,000	2,597,000

\$1,082,000 the first year and \$1,082,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety.

\$80,000 the first year and \$50,000 the second year are for costs related to the 1837 Treaty with the Chippewa.

## Subd. 9. Operations Support

24,755,000      24,208,000

## Summary by Fund

General	12,856,000	13,021,000
Game and Fish	8,040,000	7,997,000
Natural Resources	3,473,000	3,086,000
Permanent School	386,000	104,000

\$386,000 the first year and \$104,000 the second year are for land sale costs under Minnesota Statutes, section 92.67, subdivision 3. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

Any unencumbered balance remaining in the appropriation under Minnesota Statutes, section 92.46, subdivision 1, paragraph (d), in the first year does not cancel and is available for the second year.

\$95,000 the first year and \$95,000 the second year are for a grant to the Mississippi headwaters board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under its jurisdiction.

\$17,000 the first year and \$17,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement its portion of the comprehensive plan for the upper Mississippi.

The commissioner of natural resources shall have the authority to contract with and make grants to nonprofit agencies to carry out the purposes, plans, and pro-

grams of the office of youth programs, Minnesota conservation corps.

The commissioner of natural resources shall complete a study of the payment in lieu of taxes program. The commissioner shall compare the amount of payments that would be made under an ad valorem system to the current payments to counties. The findings of the study must be reported by January 15, 1994, to the environment and natural resources and finance committees of the senate and the environment and natural resources and ways and means committees of the house of representatives.

The commissioner of natural resources shall prepare a report on the support service costs incurred by each department program by fund. The report must include a history of these costs for the past four years and measures the department has taken to reduce and manage these costs. The report must be submitted to the senate environment and natural resources finance division and the house of representatives committee on environment and natural resources finance by December 31, 1993.

The appropriation in Laws 1991, chapter 254, article 1, section 5, subdivision 9, from the land acquisition account is available until expended.

For 1993 - \$240,000

Of this amount, \$120,000 is from the permanent school fund suspense account and is to be added to the appropriation in, and used for the purposes of, Laws 1991, chapter 254, article 1, section 5, subdivision 9, and \$120,000 is to pay legal costs of litigation and settlement of disputes relating to the 1837 Treaty.

Sec. 6. BOARD OF WATER AND SOIL RESOURCES

11,824,000 11,826,000

\$5,103,000 the first year and \$5,103,000 the second year are for natural resources block grants to local governments.

Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water

planning must be matched by an amount that would be raised by a levy under Minnesota Statutes, section 103B.3369.

\$1,599,000 the first year and \$1,599,000 the second year are for grants to soil and water conservation districts for general purposes and for implementation of the RIM conservation reserve program. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts.

\$2,220,000 the first year and \$2,220,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. This appropriation is available until expended.

Any unencumbered balance in the board's program of grants to soil and water conservation districts and counties does not cancel at the end of the first year and is available for the second year for the same grant program.

Funds may not be used by the board for providing assistance for individual on-site household waste treatment systems.

\$189,000 the first year and \$189,000 the second year are for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

Sec. 7. AGRICULTURE

Subdivision 1. Total Appropriation 21,859,000 21,762,000

Summary by Fund

General	12,126,000	11,994,000
Environmental	272,000	272,000
Special Revenue	9,461,000	9,496,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Protection Service

15,309,000 15,344,000



## Summary by Fund

General	5,759,000	5,759,000
Environmental	272,000	272,000
Special Revenue	9,278,000	9,313,000

\$272,000 the first year and \$272,000 the second year are from the environmental response, compensation, and compliance account in the environmental fund.

\$4,500,000 the first year and \$4,500,000 the second year are appropriated from the pesticide regulatory account established under Minnesota Statutes, section 18B.05 for administration and enforcement of Minnesota Statutes, chapter 18B.

\$650,000 the first year and \$650,000 the second year are appropriated from the fertilizer inspection account established under Minnesota Statutes, section 18C.131 for administration and enforcement of Minnesota Statutes, chapter 18C.

\$400,000 the first year and \$400,000 the second year are appropriated from the seed potato inspection fund established under Minnesota Statutes, section 21.115 for administration and enforcement of Minnesota Statutes, sections 21.111 to 21.122.

\$600,000 the first year and \$600,000 the second year are appropriated from the seed inspection fund established under Minnesota Statutes, section 21.92 for administration and enforcement of Minnesota Statutes, sections 21.80 to 21.92.

\$650,000 the first year and \$650,000 the second year are appropriated from the commercial feed inspection account established under Minnesota Statutes, section 25.39, subdivision 4 for administration and enforcement of Minnesota Statutes, sections 25.35 to 25.44.

\$620,000 the first year and \$620,000 the second year are appropriated from the fruit and vegetables inspection account established under Minnesota Statutes, section 27.07, subdivision 6 for administration and enforcement of Minnesota Statutes, section 27.07.

\$1,345,000 the first year and \$1,380,000 the second year are appropriated from the milk inspection service account established under Minnesota Statutes, section 32.394, subdivision 9 for the purpose of milk inspections under Minnesota Statutes, chapter 32.

\$218,000 the first year and \$218,000 the second year are appropriated from the dairy industry unfair trade practices account established under Minnesota Statutes, section 32A.05, subdivision 4 for administration and enforcement of Minnesota Statutes, chapter 32a.

\$295,000 the first year and \$295,000 the second year are appropriated from the livestock weighing fund established under Minnesota Statutes, section 17A.11 for the purpose of livestock weighing costs under Minnesota Statutes, chapter 17A.

#### Subd. 3. Promotion and Marketing

1,047,000      1,047,000

#### Summary by Fund

General	864,000	864,000
Special Revenue	183,000	183,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$6,900,000 in fiscal year 1994 and \$9,900,000 in fiscal year 1995. In fiscal year 1994, the commissioner shall first reimburse producers up to \$981,024 for eligible, unpaid claims accumulated through June 30, 1993.

\$100,000 the first year and \$100,000 the second year are for ethanol promotion and public education.

\$71,000 the first year and \$71,000 the second year are for transfer to the Minnesota grown matching account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.109.

\$100,000 the first year and \$100,000 the second year must be spent for the WIC coupon program.

\$183,000 the first year and \$183,000 the second year are from the commodities research and promotion account in the special revenue fund.

Subd. 4. Administration and Financial Service

5,503,000      5,371,000

\$389,000 the first year and \$389,000 the second year are for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. No new loans may be approved in fiscal year 1994 or 1995.

\$199,000 the first year and \$199,000 the second year are to manage the family farm advocacy program.

\$77,000 the first year and \$77,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be cost-shared at a state-applicant ratio of one to one. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation for either year is insufficient, the appropriation for the other is available.

\$66,000 the first year and \$66,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment and are available until spent.

\$150,000 the first year and \$150,000 the second year are for grants to agriculture information centers. The grants are only available on a match basis. The funds may be released at the rate of two state dollars for each \$1 of matching nonstate money that is raised.

\$43,000 the first year and \$43,000 the second year are for payment of claims relating to livestock damaged by endangered animal species and agricultural crops damaged by elk. If the appropriation for either year is insufficient, the

appropriation for the other year is available for it.

\$76,000 the first year and \$76,000 the second year are for the seaway port authority of Duluth.

\$19,000 the first year and \$19,000 the second year is for a grant to the Minnesota livestock breeder's association.

Money from this appropriation may, at the discretion of the commissioner, be used for demonstration or pilot programs for farm animal waste management techniques or facilities. This money may not be used for these programs unless the commissioner has notified the chairs of the legislative committees or divisions with jurisdiction over appropriations for environmental and natural resources activities.

The unencumbered balance on June 1, 1993, of amounts authorized under Laws 1992, chapter 513, article 2, section 6, subdivision 5, for legal challenges to discriminatory aspects of the federal milk market order system are transferred to the supreme court for the same purposes.

Sec. 8. BOARD OF ANIMAL HEALTH 2,027,000 2,066,000

This appropriation includes \$25,000 the first year and \$25,000 the second year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 must not be paid.

\$150,000 the first year and \$150,000 the second year are for an integrated pseudorabies control and research program. The board of animal health must consult with the pseudorabies advisory council about how this money should be spent. The appropriation is available only as matched, dollar for dollar, by money from nonstate sources.

Sec. 9. MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION 129,000 130,000

This appropriation is only available to the extent it is matched by an equal amount from the state of Wisconsin.

Sec. 10. CITIZEN'S COUNCIL ON VOYAGEURS NATIONAL PARK	72,000	72,000
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Notwithstanding Minnesota Statutes, section 15.059, subdivision 5, the existence of the citizen's council on Voyageurs National Park terminates June 30, 1995.

Sec. 11. SCIENCE MUSEUM OF MINNESOTA	1,108,000	1,053,000
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Sec. 12. MINNESOTA ACADEMY OF SCIENCE	36,000	36,000
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Sec. 13. MINNESOTA HORTICULTURAL SOCIETY	72,000	72,000
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Sec. 14. MINNESOTA RESOURCES

Subdivision 1. Total Appropriation	41,274,000
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Summary by Fund

Minnesota Future Resources Fund	14,662,000
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Minnesota Environment and Natural Resources Trust Fund	24,600,000
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Of this appropriation \$10,298,000 is for trust fund acceleration.

Oil Overcharge Money in the Special Revenue Fund	2,012,000
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The appropriations in this section are available until June 30, 1995.

In this section:

(a) "Future resources fund" means the Minnesota future resources fund referred to in Minnesota Statutes, section 116P.13.

(b) "Trust fund" means the Minnesota environment and natural resources trust fund referred to in Minnesota Statutes, section 116P.02, subdivision 6.

(c) "Trust fund acceleration" means the Minnesota environment and natural resources trust fund to be expended only for capital investments in parks and trails referred to in Minnesota Statutes, section 116P.11, paragraph (b), clause (3).

(d) "Oil overcharge money" means the money referred to in Minnesota Statutes, section 4.071, subdivision 2.

Subd. 2. Legislative Commission on Minnesota Resources	695,000
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\$425,000 of this appropriation is from the future resources fund and \$270,000 is from the trust fund pursuant to Minnesota Statutes, section 116P.09, subdivision 5.

For the biennium ending June 30, 1995, the commission shall monitor the programs in this section; assess the status of the state's natural resources; convene a state resource congress; establish priorities for, request, review, and recommend programs for the 1995-1997 biennium from the future resources fund, environment and natural resources trust fund, and oil overcharge money, and for support of the citizen advisory committee activities.

### Subd. 3. Agriculture

#### (a) Biological Control of Plant and Animal Pests

880,000

This appropriation is from the oil overcharge money to the commissioner of administration for transfer to the commissioner of agriculture to develop, test, and implement biological control agents to reduce the use of petroleum-based chemicals. A grant request to supplement this appropriation must be submitted to the United States Department of Agriculture and the results reported to the legislative commission on Minnesota resources.

#### (b) Cover Crops in a Corn and Soybean Rotation

150,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota for the development of economic management strategies of cover crops for corn and soybean rotations to reduce soil erosion, nitrate leaching, and pesticide use.

#### (c) Increasing Utilization of Federal Cost Share Feedlot Funds

480,000

This appropriation is from the future resources fund to the commissioner of agriculture to provide technical assistance for the rehabilitation of priority feedlots with water quality concerns.

#### (d) Demonstration of Production Scale Waste Collection in Aquaculture

100,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with Minnesota aquafarms to evaluate operational efficiencies of a fish waste collection system and to evaluate the potential for the waste collection system to meet state water quality requirements.

(e) Reinvest in Minnesota - Conservation Reserve Easements

1,377,000

\$500,000 of this appropriation is from the trust fund and \$877,000 of this appropriation is from the future resources fund to the board of water and soil resources to accelerate the RIM program to acquire perpetual conservation easements on marginal agricultural lands. Up to \$100,000 may be used to implement conservation practices on the easements. None of this appropriation may be used for administrative costs.

(f) Alternative Aquaculture Methods

230,000

This appropriation is from the future resources fund to the commissioner of agriculture to develop and evaluate alternative methods of raising fish, focusing on water conservation through waste removal, and collection involving recirculating aquaculture systems. Grant requests to supplement this appropriation must be submitted to the United States Department of Agriculture and the national Sea Grant program and the results reported to the legislative commission on Minnesota resources.

(g) Minnesota Aquaculture Development Program

230,000

This appropriation is from the future resources fund to the commissioner of agriculture to conduct a grant program for the evaluation and development of environmentally sound aquaculture systems.

(h) Managing Agricultural Environments of North-Central Minnesota Sandy Soils

480,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to develop improved management strategies for water, nitrogen,

and herbicide use on sandy soils in north central Minnesota.

(i) Nutrient Availability From Land-Applied Manure 280,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to determine nutrient availability from manure/soil/crop systems to improve manure utilization by crops, reduce environmental impacts on water resources, and provide best management practices (BMPs) to guide manure management decisions.

(j) Effective Manure Management in Conservation Tillage Systems for Karst Areas 500,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to investigate factors that influence losses of contaminants to surface and groundwater. The emphasis will be on soil, crop residue, and manure management to maximize crop recovery of nitrogen and minimize losses to surface and groundwater.

(k) Nutrient Recycling Through Plants and Animals 260,000

This appropriation is from the future resources fund to the commissioner of agriculture for a contract with the University of Minnesota to improve techniques to predict nitrogen mineralization from manure and soil organic matter in west central Minnesota.

(l) Developing Soil Specific Nitrogen Management as a Best Management Practice (BMP) 294,000

This appropriation is from the oil overcharge money to the commissioner of administration for transfer to the commissioner of agriculture for development of new soil specific, variable rate nitrogen applications that will increase operating efficiency and reduce applied nitrogen without reducing yield.

#### Subd. 4. Energy

(a) Reducing Energy and CO2 230,000



This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the center for energy and urban environment to develop a comprehensive action plan that will focus on energy efficiency, alternative energy, and fuel switching through an assessment of opportunities for the reduction of CO2 and other greenhouse gases.

**(b) Operational Implications of Alternate Transit Bus Fuels**

78,000

This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the metropolitan transit commission to test alternate bus fuels to evaluate their potential for reduced fuel consumption and increased operational efficiency.

**(c) The Bus, Bike, or Car Pool (B-BOP) Challenge**

150,000

This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the center for energy and urban environment to reduce energy use by the delivery of an employer-based program that cost effectively reduces the use of single occupant vehicles by commuters who pledge to B-BOP or telecommute regularly during the summer.

**(d) Tree and Grass Production for Ethanol**

380,000

This appropriation is from the oil overcharge money to the commissioner of administration for a contract with the agricultural utilization research institute to implement a program to supply biomass feedstock derived from trees and grass to a national renewable energy laboratory (NREL), United States Department of Energy Engineering Development facility for converting biomass to ethanol and thermochemical fuels. This appropriation is contingent on a NREL agreement by January 1, 1994, to purchase biomass.

**Subd. 5. Forestry**

**(a) Development of Tree Seed Orchard Complex**

80,000

This appropriation is from the future resources fund to the commissioner of natural resources for production of genetically improved forest tree seed.

(b) Como Park Replanting Program 93,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the city of St. Paul to replant areas in Como Park that have lost trees due to disease, age, or other causes.

(c) Reforestation in Ramsey County Parks and Open Space 50,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Ramsey county to accelerate the reforestation program in Ramsey county regional and county parks to replace trees lost to storm damage, drought, and disease and begin establishment of new plantings. None of this appropriation is to be used for administration.

(d) Developing Quality Hardwood Forests 210,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the University of Minnesota to conduct research on the effects of different canopy gap sizes and site preparation methods on natural hardwood regeneration.

#### Subd. 6. General

(a) Minnesota County Biological Survey - Continuation 900,000

This appropriation is from the trust fund to the commissioner of natural resources to continue the Minnesota county biological survey of systematic collection (\$432,000) and management of data on the distribution of rare plants, animals, and natural habitats (\$288,000) and to provide for distribution and integration of rare features information (\$180,000).

(b) Minnesota's Forest-Bird Diversity Initiative - Continuation 500,000

This appropriation is from the trust fund to the commissioner of natural resources

to monitor forest songbird populations and to utilize geographic information system tools to correlate forest bird populations with dynamics of the forest landscape.

(c) Description and Evaluation of Minnesota Old Growth Forests - Continuation 250,000

This appropriation is from the future resources fund to the commissioner of natural resources to accelerate the evaluation of old growth candidate stands (\$90,000), develop detailed descriptions of old growth forest types (\$110,000), and determine habitat relations of forest fungi in old growth forests (\$50,000) for completion of the implementation of the department of natural resources old growth guidelines.

(d) Mississippi Headwaters River Inquiry and Education Project 75,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Mississippi headwaters board to provide for the investigation of river corridor biology, hydrology, and cultural issues, training of local government officials, and public education on river protection strategies.

(e) Anadromous Fish Monitoring 137,000

This appropriation is from the future resources fund to the commissioner of natural resources for biologic monitoring to improve the management of the steelhead population on the north shore of Lake Superior.

(f) Land and Water Conservation Fund Administration 80,000

This appropriation is from the future resources fund to the commissioner of natural resources for administration of the federal land and water conservation program and other contract administration activities assigned to the commissioner in this section.

Subd. 7. Information/Education

(a) Quantify Pesticide and Fertilizer Run-off from Golf Courses 49,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with suburban Hennepin Regional Park district for a study of the quantity of pesticide and fertilizer runoff water from golf courses and an assessment of the impact of these contaminants on downstream waterbodies. This appropriation must be matched by \$49,000 of nonstate funds.

(b) Developing Multi-Use Urban Green Space

220,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Minneapolis park and recreation board to develop city tax forfeited lands into neighborhood gardens, orchards, alternative landscape demonstration areas, and tree nurseries.

(c) The On-Line Museum: Computer and Interactive Video

260,000

This appropriation is from the trust fund to the commissioner of education for a contract with the science museum of Minnesota to create an interactive video data base of selected cultural and natural history collections as a prototype for a unique learning experience in environmental education for museum visitors and school children.

(d) Environmental Education Outreach Program

215,000

This appropriation is from the future resources fund to the commissioner of education for a contract with metropolitan waste control commission (MWCC) to develop a multidisciplinary environmental science and math curriculum for grades K-12 and team-taught by private sector volunteers, teachers, and MWCC volunteer staff. A grant request to supplement this appropriation must be submitted to the United States Environmental Protection Agency and the results reported to the legislative commission on Minnesota resources. This appropriation must be matched by an equal amount of nonstate funds.

## (e) Summer Youth History Program 100,000

This appropriation is from the future resources fund to the Minnesota state historical society to provide summer employment for high school students of at least 50 percent minority or disadvantaged at historic sites.

## (f) The Ecology of Minnesota - Book 51,000

This appropriation is from the future resources fund to the University of Minnesota for a grant to the university press to assist in the preparation and production of a book presenting a comprehensive overview of Minnesota's natural environment.

## (g) Green Street: An Urban Environmental Awareness Project 550,000

This appropriation is from the trust fund to the commissioner of education for a contract with the science museum of Minnesota to develop a comprehensive, coordinated urban environmental education project, which will be a core exhibit and outreach program focused on revealing the links between modern lifestyles and major environmental issues.

## (h) Nicollet Conservation Club Swan Lake Interpretive Room 18,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Nicollet conservation club to equip a Swan Lake interpretive center at the Nicollet conservation club. Facilities will be open for use by local school groups and state agencies for interpretive programs and meetings at no charge. This appropriation must be matched by an equal amount of nonstate funds.

## (i) Project City Camp: Experiential Urban Environmental Education 130,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Pillsbury Neighborhood Services, Inc., to implement Project City Camp, to help inner city poor and minority youth and adults understand the urban environment and its impact on human development.

(j) Granite Quarry Park and Interpretive Center Planning 50,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Stearns county to study the features of the quarry sites and plan for the development of an interpretive and recreational regional park. This appropriation must be matched by \$50,000 of nonstate funds.

(k) Expanded Crosby Farm Park Nature Program 91,000

This appropriation is from the future resources fund to the commissioner of education for a contract with the city of St. Paul to accelerate the nature study program established at Crosby Farm Park utilizing the Como zoo, Como conservatory, and Crosby Farm Nature Park.

(l) Multiple-Use Forest Management Learning Kit 15,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Deep Portage environmental learning center to develop a multiple use forest management learning kit. This appropriation must be matched by \$5,500 of nonstate funds.

(m) An Outdoor Classroom to Improve Rural Environmental Education 60,000

This appropriation is from the future resources fund to the commissioner of education for a contract with the Faribault County Environmental Learning Center, Inc., in cooperation with area 4-H, communities and schools, for an outdoor classroom project using native Minnesota vegetation, to train instructors, educate youth and community members, and evaluate changes in environmental awareness.

#### Subd. 8. Land

(a) Base Maps for 1990s - Continuation 710,000

This appropriation is from the trust fund to the commissioner of administration to provide the state share of a 50/50 match program with the United States Geological Survey to continue statewide coverage of orthophoto maps, update mapping for

the state major urban areas, and plan for future cooperative mapping and air photos programs.

(b) Rural County Use of National Aerial Photography Program Flight

90,000

This appropriation is from the future resources fund to the commissioner of administration for a contract with Houston county to evaluate the quality of digital planimetric map products and the effectiveness of national aerial photography program products in meeting the needs of Houston county users and to assist other counties in the future use of the products. This project must comply with the data compatibility requirements set forth in subdivision 14.

(c) Recreational Resource Planning in the Metro Mississippi Corridor

175,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the University of Minnesota to investigate the potential for enhancing and enriching the recreational opportunities along the Mississippi river in the metropolitan corridors of the Mississippi National River and Recreation Area (MNRRA). This appropriation must be matched by \$25,000 of nonstate funds.

Subd. 9. Minerals

Mitigating Concrete Aggregate Problems in Minnesota

179,000

This appropriation is from the future resources fund to the commissioner of transportation for a contract with the University of Minnesota to study means of mitigating concrete aggregate problems in southern Minnesota.

Subd. 10. Recreation

The appropriations in items (a) to (l) are for trust fund acceleration.

(a) State Park Betterment

3,000,000

This appropriation is from the trust fund to the commissioner of natural resources to develop, improve, and rehabilitate state park facilities to meet growing user demand as well as prevent further deterior-

ration of outstanding historically significant structures.

(b) Americans With Disabilities Act: Retrofitting Regional Parks

220,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council to make subgrants to regional park implementing agencies to retrofit existing facilities to meet federal Americans with Disabilities Act (ADA) requirements.

(c) Trail Linkages, Metropolitan Regional Network

2,327,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council to make subgrants to acquire and improve regional trails which link existing and planned regional, local, and state parks and trails.

(d) Initiate Gateway Segment of the Willard Munger State Trail into Downtown St. Paul

200,000

This appropriation is from the trust fund to the commissioner of natural resources for acquisition and development of the trail right-of-way of the gateway segment of the Willard Munger state trail into downtown St. Paul. This appropriation is for acquisition and development only and must be done in cooperation with the city of St. Paul.

(e) Birch Lake Regional Bikeway/Walkway

450,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to Ramsey county which shall cooperate with the city of White Bear Lake to develop a bikeway/walkway linking trunk highway 96 regional bikeway with Tamarack nature center and business centers, and a trailside interpretive program. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

(f) Cedar Lake Trail Development

610,000



This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to plan and construct Cedar Lake recreational and nonmotorized commuter trail from Highway 100 to downtown Minneapolis intersecting with the chain of lakes. This appropriation must be matched by \$200,000 of nonstate funds. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

(g) State Trail Development

2,327,000

This appropriation is from the trust fund to the commissioner of natural resources to start development of the Paul Bunyan state trail, the development of an abandoned railroad grade located between Barnum and Carlton, and provide for the acquisition and development of a trail connection from Harmony to the Root river state trail.

(h) Shingle Creek Trail Improvement

130,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to develop the Shingle Creek trail connection between Minneapolis and Hennepin county regional trail.

(i) Lilydale/Harriet Island Regional Park Trail

246,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a contract with the city of St. Paul to plan and construct a pedestrian bicycle trail in the Lilydale/Harriet Island Regional Park.

(j) Como Park East Lakeshore Reclamation

163,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the city of St. Paul to provide site improvements for reclama-

tion and restoration of severely eroded areas on east lakeshore in Como Park.

(k) Grain Belt Mississippi Riverfront Development

300,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board, which shall cooperate with the Minneapolis community development agency to create riverfront recreational park and marina facilities through acquisition and development of Mississippi riverfront property. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

(l) Acquisition of Palace Restaurant Site on Mississippi River

325,000

This appropriation is from the trust fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board to acquire the Palace Restaurant property located on the east bank of the Mississippi for open space and recreational opportunities. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system.

(m) Access to Lakes and Rivers - Continuation

1,000,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate access to lakes and rivers statewide. \$500,000 is for boat access to lakes and rivers and \$500,000 is for shoreline access and fishing piers statewide.

(n) Saint Louis River Land Acquisition

1,000,000

This appropriation is from the trust fund to the commissioner of natural resources to acquire and protect undeveloped lands known for their resource and recreation values located along the Saint Louis, Cloquet, and Whiteface rivers.

(o) Lake Minnetonka Water Access Acquisition

944,000

This appropriation is from the future resources fund to the commissioner of natural resources to acquire land for a water access site on Maxwell and Crystal Bays in Lake Minnetonka.

(p) Lake Superior Safe Harbors – Continuation

1,000,000

This appropriation is from the future resources fund to the commissioner of natural resources to acquire a site not to exceed 25' acres and construct a Lake Superior safe harbor site at Silver Bay in cooperation with the north shore management board. This appropriation is contingent on additional funding being requested from the IRRRB, the United States Army Corps of Engineers and other federal/local sources as described in the north shore harbors plan.

(q) Cooperative Trails Grant Program

800,000

This appropriation is from the future resources fund to the commissioner of natural resources for a grant program to assist in the acquisition and development of local connections to planned and existing state trails and other public recreation facilities.

(r) Agassiz Recreational Trails (ART)

650,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Agassiz Recreational Trail Joint Powers Board to plan, purchase, and develop Agassiz recreational trails and improve up to five local parks.

(s) Mesabi Trail Acquisition, Planning and Development

700,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the St. Louis and Lake county regional rail authority to plan and begin acquiring and developing a 132-mile multipurpose trail linking the Mesabi iron range between Grand Rapids and Ely. This appropriation must be matched by \$350,000 cash from IRRRB or nonstate funds.

(t) Recreational Programming: Inclusiveness for Persons with Disabilities

160,000

This appropriation is from the future resources fund to the commissioner of education for a contract with Vinland National Center to provide staff training and consultation, targeted outreach and resource education, to enhance the inclusiveness, accessibility, and utilization of existing recreational programs by persons with disabilities.

(u) Enhanced Recreational Opportunities for Southeast Asian Ethnic Communities

300,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide community education, develop bilingual communication exchanges, and cultural and sensitivity training with community members and natural resource professionals.

(v) Urban Community Gardening Program

110,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Sustainable Resources center to provide technical assistance and information to neighborhood based groups, special populations, and municipalities for community gardening, including the rehabilitation of urban open space.

(w) National Register Grants Program

165,000

This appropriation is from the future resources fund to the Minnesota state historical society to assist in the preservation of outstanding historical properties such as Pickwick Mill (1854-58), Sibley County Courthouse (1879), Wendelin Grimm Farmstead (1876), and Tugboat Edna G (1896), and other emergency needs of properties of national or statewide historic significance.

(x) Historical Research and Planning for Traverse Des Sioux

68,000

This appropriation is from the future resources fund to the Minnesota state historical society to research and develop a master plan for Traverse des Sioux, a historic site owned by the Minnesota historical society and located in Nicollet county.

## (y) Peninsula Point Two Rivers Historical Park

435,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the city of Anoka to develop Peninsula Point Two Rivers Historical Park located at the confluence of the Rum and Mississippi rivers.

## Subd. 11. Water

## (a) Minnesota River Implementation – Continuation

1,100,000

This appropriation is from the trust fund to the commissioner of the pollution control agency to accelerate the adoption of best management practices (BMPs) and to accelerate related state and local implementation activities for the Minnesota river basin.

## (b) Local River Planning – Continuation

480,000

This appropriation is from the future resources fund to the commissioner of natural resources for contracts of up to two-thirds of the cost to counties or groups of counties acting pursuant to a joint powers agreement, to develop comprehensive plans for the management and protection of rivers in northern and central Minnesota. The commissioner of natural resources shall include in the work plan for review and approval by the legislative commission on Minnesota resources a proposed list of rivers and a planning process developed by the consensus of the affected counties. All plans must meet or exceed the requirements of state shoreland and floodplain laws. Up to \$100,000 is available for administration and technical assistance.

## (c) Mercury Reduction in Fish – Continuation

200,000

This appropriation is from the trust fund to the commissioner of the pollution control agency for a contract with the University of Minnesota to complete pilot studies testing mercury reduction in fish for Minnesota waters. Grant requests to supplement this appropriation must be submitted to the United States Environ-

mental Protection Agency and the results reported to the legislative commission on Minnesota resources.

(d) Stream Flow Protection

280,000

This appropriation is from the future resources fund to the commissioner of natural resources to collect stream habitat data (width, depth, velocity, substrate, water elevation) in up to 39 watersheds to develop community-based flows that protect stream resources. This project must comply with the data compatibility requirements set forth in subdivision 15.

(e) The South Central Minnesota Groundwater Contamination Susceptibility Project – Continuation

290,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Mankato state university to couple surface hydrology, subsurface geology, and hydrogeology for environmental analysis to assess present environmental conditions, establish benchmarks, and develop regional priorities for south central Minnesota. This project must comply with the data compatibility requirements set forth in subdivision 14.

(f) White Bear Lake Levels Feasibility Study

228,000

This appropriation is from the future resources fund to the commissioner of natural resources to install additional observation wells at White Bear Lake (\$50,000), to study lake and groundwater relationships, to conduct a feasibility study to address lake level issues (\$50,000), and to abandon or retrofit existing augmentation wells (\$128,000).

(g) County Geologic Atlases and Regional Hydrogeologic Assessments – Continuation

850,000

\$425,000 is from the trust fund to the University of Minnesota, Minnesota geologic survey, and \$425,000 is from the trust fund to the commissioner of natural resources to expand production of county geologic atlases and regional hydrogeologic assessments. This project must com-

ply with the data compatibility requirements set forth in subdivision 14.

(h) Septic System Replacement for Water Related Tourism Businesses

500,000

This appropriation is from the future resources fund to the commissioner of trade and economic development to provide matching grants of up to \$10,000 to resorts and related tourism businesses located on lakes and rivers for replacement of failing or nonconforming septic systems. Businesses that begin replacement of failing or nonconforming septic systems after the effective date of this act are eligible for these grants:

(i) Optical Brighteners: Indicators of Sewage Contamination of Groundwaters

157,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for a contract with Dakota county to study the correlation of optical brighteners present in domestic sewage from detergent use with nonagricultural nitrogen as interferences with atrazine detection.

Subd. 12. Wildlife, Fisheries, Plants

(a) Reinvest in Minnesota – Critical Habitat Match, Scientific and Natural Area, Wildlife, and Prairie Acquisition

4,000,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program. \$2,600,000 is to protect and improve critical fish, wildlife, and native plant habitat through critical habitat match; \$1,000,000 is to acquire land for scientific and natural areas; \$300,000 is to acquire North American waterfowl management plan projects; and \$100,000 is to acquire prairie bank easements to protect native prairie on private lands.

(b) Reinvest in Minnesota – Wildlife Habitat Stewardship and Property Development

900,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program, to develop state land, to protect wildlife and native plant populations, re-

store native plant communities, and enhance wildlife habitat.

(c) Reinvest in Minnesota – Statewide Fisheries Habitat Development

687,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program through the development of trout, walleye, and smallmouth bass habitat in streams, removal of the Flandrau dam on the Cottonwood river to allow migration of fish, and the installation of aeration systems on winterkill-prone lakes.

(d) Establishment of Critical Winter Habitat Areas on Intensively Farmed Land

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Pheasants Forever, Inc., to acquire and establish areas of critical winter habitat for wildlife on farmland in Scott county. This appropriation must be matched by \$60,000 nonstate funds.

(e) Wild Turkey Hunting Safety/Education

39,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the wild turkey federation to develop a program to promote safety in the sport of wild turkey hunting, to minimize accidents, and improve hunter/landowner relationships.

(f) Niemackl Watershed Restoration

500,000

This appropriation is from the future resources fund to the commissioner of natural resources for the restoration of the Niemackl watershed by improvement of water quality, flood reduction, fish and wildlife habitat, and recreation through citizen participation with federal, state, and local governments, and nongovernment agencies. \$200,000 is available to begin the project and the remaining \$300,000 is contingent on a match of \$300,000 of nonstate funds.

(g) Deer Critical Habitat Survey – Koochiching County

75,000



This appropriation is from the future resources fund to the commissioner of natural resources in cooperation with Koochiching county to conduct an intensive survey of deer winter cover in Koochiching county to identify critical habitat for deer for improved timber management and for deer population management. This appropriation must be matched by \$5,000 of nonstate funds.

(h) Reinvest in Minnesota – Fisheries Acquisition for Angler Access and Habitat Development

300,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program. \$50,000 is for trout stream easements; \$50,000 is for warm water stream easements; and \$200,000 is for aquatic management areas acquisition.

(i) Establishing Goose Nesting Sites in Northern Minnesota and Relocation of Giant Canada Goslings

21,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with Geese International, Inc., to manufacture and place 160 permanent goose nesting sites in the Squaw Lake and Baudette areas and to purchase a four-wheel drive vehicle capable of towing a trailer for 400 goslings. This appropriation must be matched by \$31,890 from Geese International, Inc.

(j) Prairie Ecosystem Restoration in the Minneapolis Park System

60,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the Minneapolis park and recreation board to restore and rehabilitate the remnant, secondary, and introduced prairie tracts in the Minneapolis park system. This appropriation must be matched by \$60,000 from nonstate funds.

(k) Theodore Wirth Park Tamarack Bog Preservation Project

40,000

This appropriation is from the future resources fund to the commissioner of nat-

ural resources for a contract with the People for Minneapolis Parks fund in cooperation with the Minneapolis park and recreation board to restore the Theodore Wirth park tamarack bog, improve the access trail, construct a boardwalk, and develop and install self-guided interpretive signage.

(l) Biological Control of Eurasian Water Milfoil and Purple Loosestrife

400,000

This appropriation is from the trust fund to the commissioner of natural resources to research biological control for purple loosestrife and Eurasian water milfoil. The purple loosestrife research must be done in cooperation with the commissioner of agriculture. \$100,000 is for the propagation, release, and evaluation of insects for purple loosestrife control; \$50,000 is for the development of mycoherbicides to control purple loosestrife; \$200,000 is for evaluation of biocontrol agents for Eurasian water milfoil fungi and insects; and \$50,000 is to research the biology of Eurasian water milfoil. The \$250,000 for Eurasian water milfoil must be matched by \$200,000 of nonstate funds.

(m) Replacement of Eurasian Water Milfoil with Native Minnesota Plants

40,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the White Bear Lake conservation district to research the replanting of areas treated for Eurasian water milfoil with native aquatic plants.

(n) Integrated Control of Purple Loosestrife

90,000

This appropriation is from the future resources fund to the commissioner of agriculture in cooperation with the commissioner of natural resources to accelerate evaluation of integrated biological control agents for purple loosestrife infestations in Houston, Hennepin, Wabasha, and Goodhue counties.

(o) Ecological Impacts of Releasing Genetically Engineered Fishes

175,000

This appropriation is from the trust fund to the commissioner of agriculture in cooperation with the commissioner of natural resources for a contract with the University of Minnesota to assess impacts of the release of genetically engineered fish on Minnesota's game fish and aquatic ecosystems and formulate recommendations to reduce detrimental impacts through measurement of bioenergetic and behavioral traits.

#### Subd. 13. MFRF Contingent Account

If cancellations or increased revenue, or both, create an excess balance in the future resources fund, up to \$600,000 for the biennium is appropriated from the fund for acquisition or development of state land or other projects that are part of a natural resources acceleration activity, when deemed to be of an emergency or critical nature. This appropriation is also available for projects initiated by the legislative commission on Minnesota resources that are found to be proper in order for the commission to carry out its legislative charge.

This appropriation is not available until the legislative commission on Minnesota resources has made a recommendation to the legislative advisory commission regarding each expenditure from the account. The legislative advisory commission must then hold a meeting and provide its recommendation on each item, which may be spent only with the approval of the governor.

#### Subd. 14. Data Compatibility Requirements

During the biennium ending June 30, 1995, the data collected by the projects funded under this section that have common value for natural resource planning and management must conform to information architecture as defined in guidelines and standards adopted by the information policy office. Data review committees may be established to develop or comment on plans for data integration and distribution and shall submit semiannual status reports to the legislative commission on Minnesota resources on their

findings. In addition, the data must be provided to and integrated with the Minnesota land management information center's geographic data bases with the integration costs borne by the activity receiving funding under this section.

#### Subd. 15. Work Program

It is a condition of acceptance of the appropriations in this section that any agency or entity receiving the appropriation must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the money provided may be spent unless the commission has approved the pertinent work program.

#### Subd. 16. Temporary Positions

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. The positions are in addition to any other approved complement for the agency. Part-time employment of persons is authorized.

#### Subd. 17. Match Requirements

Appropriations in this section that must be matched and for which the match has not been committed by January 1, 1994, must be canceled.

#### Subd. 18. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121 to 16B.125, regarding the purchase of recycled, repairable, and durable materials, the purchase of uncoated paper stock, and the use of soy-based ink, the same as if it were a state agency.

#### Subd. 19. Carryforward

The appropriation in Laws 1991, chapter 254, article 1, section 14, subdivision 7, paragraph (e), Private Forest Manage-

ment Oak Regeneration, is available until December 31, 1993.

Sec. 15. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE	4,000,000	4,000,000
Sec. 16. EMERGENCY RESPONSE COMMISSION	\$25,000	\$25,000
Sec. 17. PUBLIC FACILITIES AUTHORITY	\$150,000	\$150,000

\$150,000 the first year and \$150,000 the second year are for the individual on-site treatment program under Minnesota Statutes, section 116.18, subdivision 3c. In awarding grants, the public facilities authority shall give priority to projects within the Minnesota river watershed.

The commissioner of the pollution control agency shall report to the legislative committees on environment and natural resources by December 15, 1993, on the advisability and feasibility of expanding the individual on-site treatment systems program under Minnesota Statutes, section 116.18, subdivision 3c, to include areas outside municipalities. The report must include an assessment of alternative means of providing assistance to individuals for on-site treatment systems.

Sec. 18. COMMERCE 200,000

This appropriation is from the landfill cleanup account in the environmental fund for development of the insurance buyout formula under section 76.

Sec. 19. [TRANSFERS.]

*Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this act to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on ways and means of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.*

*Subd. 2. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.*

Sec. 20. [INFORMATION POLICY OFFICE (IPO) APPROVAL.]

*Appropriations for information systems shall not be allotted until the commissioner of the agency certifies to the commissioner of finance that all IPO project requirements have been met or will be met. If the appropriation for either year is insufficient, the appropriation for the other year is available.*

**Sec. 21. [TRANSFER OF RESPONSIBILITIES TO COMMISSIONER OF NATURAL RESOURCES.]**

*The responsibilities of the commissioner of trade and economic development relating to conservation and recreation grants under Minnesota Statutes, sections 116J.401, clause (5), and 116J.406, are transferred to the commissioner of natural resources under Minnesota Statutes, section 15.039.*

Sec. 22. Minnesota Statutes 1992, section 17.59, subdivision 5, is amended to read:

Subd. 5. [COMMODITIES RESEARCH AND PROMOTION ACCOUNT.] All fees collected by the department under sections 17.51 to 17.69 and any other fees and income received by the department in the administration of these statutes shall be deposited in a separate account known as the commodity research and promotion account in the special revenue fund. ~~These funds shall be appropriated to the department for the purpose of defraying the expenses of administering and enforcing the sections listed in this subdivision.~~

Sec. 23. Minnesota Statutes 1992, section 17A.11, is amended to read:

**17A.11 [FEES FOR LIVESTOCK WEIGHING.]**

The commissioner shall prescribe the fee necessary to cover the cost of state weighing, to be assessed and collected from the seller in the manner the commissioner may prescribe. The fee assessed must be the same, and the manner of collection of the fee must be uniform at all facilities. At any location where state weighing is performed in accordance with this chapter and the total annual fees collected are insufficient to pay the cost of the weighing, the annual deficit shall be assessed and collected in the manner the commissioner may prescribe. Additional money arising from the weighing of animals by the commissioner, which has been collected and retained by any person, shall be paid on demand to the commissioner. All money collected by the commissioner shall be deposited in the state treasury and credited to the livestock weighing fund, ~~and shall be paid out only on the order of the commissioner and the state's warrant.~~

Sec. 24. Minnesota Statutes 1992, section 18B.05, subdivision 2, is amended to read:

Subd. 2. [ANNUAL APPROPRIATION EXPENDITURES.] *Subject to appropriation by the legislature, money in the account, including the amount of interest attributable to money in the account and any money appropriated for the purposes of this chapter, is annually appropriated to may be used by the commissioner for the administration and enforcement of this chapter.*

Sec. 25. Minnesota Statutes 1992, section 18C.131, is amended to read:

**18C.131 [FERTILIZER INSPECTION ACCOUNT.]**

A fertilizer inspection account is established in the state treasury. The fees collected under this chapter *and interest attributable to money in the account* must be deposited in the state treasury and credited to the fertilizer inspection account. ~~Money in that account, including interest earned and money~~

appropriated for the purposes of this chapter, is annually appropriated to the commissioner for the administration of this chapter.

Sec. 26. Minnesota Statutes 1992, section 21.115, is amended to read:

21.115 [FEES; SEED POTATO INSPECTION FUND.]

The commissioner shall fix the fees for all inspections and certifications in such amounts as from time to time may be found necessary to pay the expenses of carrying out and enforcing the purposes of sections 21.111 to 21.122, with a reasonable reserve, and shall require the same to be paid before such inspections or certifications are made. All moneys collected as fees or as penalties for violations of any of the provisions of such sections shall be paid into the state treasury and therein credited to the seed potato inspection fund of the commissioner, which fund is hereby created and ~~appropriated for carrying out the purposes of such sections~~. Interest, if any, received on deposits of these moneys shall be credited to such fund, and there shall be paid into this fund any sum provided by the legislature for the purpose of carrying out the provisions of such sections.

Sec. 27. Minnesota Statutes 1992, section 21.92, is amended to read:

21.92 [SEED INSPECTION FUND.]

There is established in the state treasury an account known as the seed inspection fund. Fees and penalties collected by the commissioner under sections 21.80 to 21.92 and *interest attributable to money in the account* shall be deposited into this account. The rates at which the fees are charged may be adjusted pursuant to section 16A.128. ~~Money in this account, including interest earned and any appropriations made by the legislature for the purposes of sections 21.80 to 21.92, is annually appropriated to the commissioner for the administration and enforcement of sections 21.80 to 21.92.~~

Sec. 28. Minnesota Statutes 1992, section 25.39, subdivision 4, is amended to read:

Subd. 4. [COMMERCIAL FEED INSPECTION ACCOUNT.] A commercial feed inspection account is established in the state treasury. Fees and penalties collected under sections 25.35 to 25.44 and *interest attributable to money in the account* must be deposited in the state treasury and credited to the commercial feed inspection account. ~~Money in that account, including interest earned and money appropriated for the enforcement and administration of sections 25.35 to 25.44, is annually appropriated to the commissioner for the administration and enforcement of sections 25.35 to 25.44.~~

Sec. 29. Minnesota Statutes 1992, section 27.07, subdivision 6, is amended to read:

Subd. 6. [COOPERATIVE AGREEMENTS; FEES; ACCOUNT.] The commissioner may collect fees as provided for in cooperative agreements between the commissioner and the United States Department of Agriculture for the inspection of fresh fruits, vegetables, and other products. The fees and *interest attributable to money in the account* must be deposited in the state treasury and credited to a fruit and vegetables inspection account. ~~The money in the account, including interest earned, is appropriated to the commissioner to carry out the cooperative agreements.~~

Sec. 30. Minnesota Statutes 1992, section 28A.08, is amended to read:

## 28A.08 [LICENSE FEES; PENALTIES.]

License fees, penalties for late renewal of licenses, *reinspection fees*, and penalties for not obtaining a license before conducting business in food handling that are set in this section apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter. *Penalties and fees are due on demand by the commissioner. A license will not be renewed until all fees and penalties are paid.* The penalties may be waived by the commissioner.

## Penalties

Type of food handler	License Fee	Late Renewal	No License	<i>Reinspection Fee</i>
1. Retail food handler				
(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$ 40	\$ 15	\$ 25	
(b) Having under \$15,000 gross sales including food preparation or having \$15,000 to \$50,000 gross sales for the immediately previous license or fiscal year	\$ 55	\$ 15	\$ 25	
(c) Having \$50,000 to \$250,000 gross sales for the immediately previous license or fiscal year	\$105	\$ 35	\$ 75	\$ 75
(d) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$180	\$ 50	\$100	\$120
(e) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$500	\$100	\$175	\$350
(f) Having \$5,000,000 to \$10,000,000 gross sales for the immediately previous license or fiscal year	\$700	\$150	\$300	\$500
(g) Having over \$10,000,000 gross sales for the immediately previous license or fiscal year	\$800	\$200	\$350	\$575



## 2. Wholesale food handler

(a) Having gross sales or service of less than \$250,000 for the immediately previous license or fiscal year

\$200    \$ 50    \$100    \$130

(b) Having \$250,000 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year

\$400    \$100    \$200    \$275

(c) Having \$1,000,000 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year

\$500    \$125    \$250    \$350

(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year

\$575    \$150    \$300    \$415

## 3. Food broker

\$100    \$ 30    \$ 50

## 4. Wholesale food processor or manufacturer

(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year

\$275    \$ 75    \$150    \$180

(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year

\$400    \$100    \$200    \$275

(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year

\$500    \$125    \$250    \$350

(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year

\$575    \$150    \$300    \$415

## 5. Wholesale food processor of meat or poultry products under supervision of the U. S. Department of Agriculture

(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year

\$150    \$ 50    \$ 75    \$180

(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year

\$225    \$ 75    \$125    \$275

(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$275	\$ 75	\$150	\$350
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$325	\$100	\$175	\$415
6. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese	\$ 30	\$ 10	\$ 15	
7. Nonresident frozen dairy manufacturer	\$200	\$ 50	\$ 75	
8. Wholesale food manufacturer processing less than 70,000 pounds per year of cultured dairy food as defined in section 32.486, subdivision 1, paragraph (b)	\$ 30	\$ 10	\$ 15	
9. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer	\$ 50	\$ 15	\$ 25	

Sec. 31. Minnesota Statutes 1992, section 32.394, subdivision 9, is amended to read:

Subd. 9. [PAYMENTS; REFUNDS; DISPOSITION.] Fees are payable by a processor or marketing organization by July 1 of each year for Grade A, and by January 1 of each year for manufacturing grade, and if not paid within 30 days of the due date, the service must be discontinued, and permission to market manufacturing grade or Grade A milk or milk products or use the Grade A label must be withdrawn. A processor may terminate payment and service without loss of the Grade A label if written notice of that intention is given prior to the due date of the payment of an assessment and if the continuous inspection of the plant is assumed by a city whose milk control ordinance is substantially equivalent to Minnesota law and rule and is enforced with equal effectiveness. If a farm discontinues the production of milk within six months of the billing date, a request for a refund based on inspection services not received may be made by the processor or by the marketing organization on behalf of its patrons. This request must be made in writing by July 1 for manufacturing grade, or by December 31 for Grade A, and on approval by the commissioner refunds must be made to the processor or marketing organization.

The fees for services performed by the activities of this section must be deposited in the state treasury and constitute a separate account to be known as the milk inspection service account, which is hereby created, set aside, and appropriated as a revolving fund to be used to help to defray the cost of administration, refunds and expenses of the preliminary and continuous milk inspection services and is in addition to and not in substitution for the sums

appropriated or otherwise made available for this purpose to the department of agriculture.

Sec. 32. Minnesota Statutes 1992, section 32A.05, subdivision 4, is amended to read:

Subd. 4. For the purpose of administering and enforcing the provisions of sections 32A.01 to 32A.09, each first manufacturer subject to sections 32A.01 to 32A.09 shall pay to the commissioner a fee of one cent per cwt. on all milk processed or used in the manufacture of a selected dairy product sold in this state or manufactured in this state for sale therein except frozen foods on which the fee shall be three-quarters of a cent on each gallon of frozen foods sold in this state or manufactured in this state for sale therein. For ice milk mix the fee shall be 1-1/20 of a cent on each gallon of mix. For ice cream mix the fee shall be 1-17/40 of a cent on each gallon of mix. Such fees shall be the maximum fees. The commissioner may fix such fees at a lesser amount and may adjust such fees from time to time whenever the commissioner finds that the cost of administering and enforcing the provisions of sections 32A.01 to 32A.09 can be defrayed with such below maximum fees. The fees thus computed shall be paid by the manufacturer to the commissioner on or before the 15th day of the month following the month in which such frozen foods were sold in this state or a selected dairy product manufactured in this state from such milk was sold therein. Provided, however, that when the amount of the fees so computed does not exceed \$60 annually, these fees shall be paid within 30 days following the end of the calendar year. When fees are under \$240 annually, payment shall be made quarterly within 30 days following the end of the quarter. All fees over \$240 annually shall be paid monthly within 30 days following the end of the month when due. A penalty amounting to 10 percent of the fees then due shall be imposed by the commissioner for each month for which such fees are delinquent. The amounts so received by the commissioner shall be deposited with the state treasurer and shall constitute a separate account to be known as the "Dairy Industry Unfair Trade Practices Account" which is hereby created, set aside and appropriated as a revolving fund to be used to defray the cost of administering and enforcing sections 32A.01 to 32A.09.

Sec. 33. Minnesota Statutes 1992, section 41A.09, is amended by adding a subdivision to read:

Subd. 8. [PROMOTIONAL AND EDUCATIONAL MATERIALS; DESCRIPTION OF MULTIPLE SOURCES OF ETHANOL REQUIRED.] *Promotional or educational efforts related to ethanol that are financed wholly or partially with state funds and that promote or identify a particular crop or commodity used to produce ethanol must also include a description of the other potential sources of ethanol listed in subdivision 2.*

Sec. 34. Minnesota Statutes 1992, section 84.027, is amended by adding a subdivision to read:

Subd. 11. [FEDERAL CONSERVATION GRANTS.] *The commissioner of natural resources shall receive and administer grants under the land and water conservation grant program authorized by Congress in the Land and Water Conservation Fund Act of 1965, as amended.*

Sec. 35. Minnesota Statutes 1992, section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.]

The commissioner of natural resources shall establish a program for the development of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and recreation land, and state forests. "Bicycle trail," as used in this section, has the meaning given in section 169.01. The program shall be coordinated with the local park trail grant program established by the commissioner of ~~trade and economic development~~ pursuant to section ~~161.406~~ 85.019, with the bikeway program established by the commissioner of transportation pursuant to section 160.265, and with existing and proposed local bikeways. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails in local parks. The bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance, and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclist organizations.

Sec. 36. [85.019] [GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.]

*Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms in this subdivision have the meanings given, except as otherwise expressly provided or indicated by the context.*

*(b) "Athletic courts" means special surface area and supporting equipment or structures, such as nets, hoops, and walls, that can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball, and tennis.*

*(c) "Metropolitan council" and "metropolitan area" have the meanings given in section 473.121.*

*(d) "Unit of government" means a county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or an elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.*

*Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The commissioner shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States Office of Management and Budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos, and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be not less than ten percent. The program shall be administered so as to ensure the maximum possible use of available federal money.*

*Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the cost of the betterment of the trail.*

*Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant may not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the commissioner shall consider, among other factors; evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.*

*Subd. 5. [POWERS; RULES.] The commissioner has all powers necessary and convenient to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts under this section, including the authority to adopt rules for the program under chapter 14.*

Sec. 37. Minnesota Statutes 1992, section 85.22, subdivision 2a, is amended to read:

*Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the rental or sale of state park items and from the operation of Douglas Lodge shall be deposited in the state and be credited to the state parks working capital account. Money in the account is annually appropriated for the purchase and payment of expenses attributable to items for resale or rental and for the operation of Douglas Lodge.*

Sec. 38. Minnesota Statutes 1992, section 85A.02, subdivision 17, is amended to read:

*Subd. 17. [ADDITIONAL POWERS.] The board may establish a schedule of charges for admission to or the use of the Minnesota zoological garden or any related facility. The board shall have a policy admitting elementary school children at no charge when they are part of an organized school activity. ~~The Minnesota zoological garden must be open to the public without admission charges at least two days each month. However,~~ The zoo may charge at any time for parking, special services, and for admission to special facilities for the education, entertainment, or convenience of visitors. The board may provide for the purchase, reproduction, and sale of gifts, souvenirs, publications, informational materials, food and beverages, and grant concessions for the sale of these items.*

Sec. 39. [88.066] [CORDAGE ASSESSMENT; SURCHARGE.]

*For wood purchased or acquired in 1993 and thereafter, there is imposed a surcharge of 50 cents per assessable cord of wood on the assessment imposed by section 176.130, subdivision 4, to help offset costs incurred by the commissioner of natural resources for fire suppression activities. The surcharge must be paid in the same manner and at the same time as the*

assessment and the payments must be credited to the general fund. Section 176.130, subdivisions 8 and 9, apply to the surcharge.

Sec. 40. Minnesota Statutes 1992, section 88.79, subdivision 2, is amended to read:

Subd. 2. [CHARGE FOR SERVICE; RECEIPTS TO ~~GENERAL~~ SPECIAL REVENUE FUND.] The commissioner of natural resources may charge the owner receiving such services such sums as the commissioner shall determine to be fair and reasonable. *The commissioner shall implement a schedule of charges that recovers the costs of providing timber sale services. The schedule must account for regional differences in the value of timber and the costs of providing the services.* The receipts from such services shall be credited to the ~~general fund~~ special revenue fund and are annually appropriated to the commissioner for the purposes specified in subdivision 1.

Sec. 41. [97A.028] [CROP PROTECTION ASSISTANCE.]

Subdivision 1. [DEFINITIONS.] (a) *The definitions in this subdivision apply to this section.*

(b) *“Agricultural crops” means annually seeded crops, legumes, fruit orchards, tree farms and nurseries, turf farms, and apiaries.*

(c) *“Specialty crops” means fruit orchards, vegetables, tree farms and nurseries, turf farms, and apiaries.*

Subd. 2. [TECHNICAL ASSISTANCE.] *The commissioner shall establish a statewide program to provide technical assistance to persons for the protection of agricultural crops from destruction by wild animals. As part of the program, the commissioner shall develop and identify the latest and most effective abatement techniques; acquire appropriate demonstration supplies and materials required to meet specialized needs; train property owners, field staff, public land managers, extension agents, pest control operators, and others; provide technical manuals and brochures; and provide field personnel with supplies and materials for damage abatement demonstrations and short-term assistance and for the establishment of food or lure crops where appropriate.*

Subd. 3. [EMERGENCY DETERRENT MATERIALS ASSISTANCE.] (a) *For the purposes of this subdivision, “cooperative damage management agreement” means an agreement between a landowner and the commissioner that establishes a program for addressing the problem of destruction of specialty crops by wild animals on the landowner’s property.*

(b) *A person may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of specialty crops by wild animals. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials, up to \$3,000 in value per individual or corporation, when the commissioner determines that:*

(1) *immediate action is necessary to prevent significant damage from continuing; and*

(2) *a cooperative damage management agreement cannot be implemented immediately.*

(c) *As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner shall enter into a cooperative damage*

*management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. A landowner may not receive emergency deterrent materials assistance under this subdivision more than once. A landowner who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.*

Sec. 42. Minnesota Statutes 1992, section 97A.055, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT; PURPOSES:] The game and fish fund is established as a fund in the state treasury. ~~The money in the fund is annually appropriated to the commissioner for the activities of the division of fish and wildlife and the division of enforcement.~~

Sec. 43. Minnesota Statutes 1992, section 97A.055, is amended by adding a subdivision to read:

*Subd. 4. [ANNUAL REPORT.] By November 15 each year, the commissioner shall report to the legislative committees having jurisdiction over appropriations and the environment and natural resources on:*

*(1) the amount of revenue from the following and purposes for which expenditures were made:*

- (i) the fishing license surcharge under section 97A.475, subdivision 9;*
- (ii) the small game license surcharge under section 97A.475, subdivision 4;*
- (iii) the Minnesota migratory waterfowl stamp under section 97A.475, subdivision 5, clause (1);*
- (iv) the trout and salmon stamp under section 97A.475, subdivision 10; and*
- (v) the pheasant stamp under section 97A.475, subdivision 5, clause (2); and*

*(2) the amounts available under section 97A.075, subdivision 1, paragraphs (b) and (c), and the purposes for which these amounts were spent.*

Sec. 44. Minnesota Statutes 1992, section 97A.065, subdivision 3, is amended to read:

Subd. 3. [FISHING LICENSE SURCHARGE.] (a) The commissioner may use the revenue from the fishing license surcharge for:

(1) rehabilitation and improvement of marginal fish producing waters, administered on a cost-sharing basis, under agreements between the commissioner and other parties interested in sport fishing;

(2) expansion of fishing programs including aeration, stocking of marginal fishing waters in urban areas, shore fishing areas, and fishing piers, with preference given to local units of government and other parties sharing costs;

(3) upgrading of fish propagation capabilities to improve the efficiency of fish production, expansion of walleye production by removal from waters subject to winter kill for stocking in more suitable waters, introduction of new biologically appropriate species, and purchase of fish from private hatcheries for stocking;

(4) financing the preservation and improvement of fish habitat, with priority given to expansion of habitat improvement programs implemented with other interested parties;

(5) increasing enforcement with covert operations, workteams, and added surveillance, communication, and navigational equipment; and

(6) purchase of the walleye quota of commercial fishing operators under 97C.825, subdivision 9.

(b) Not more than ten percent of the money available under this subdivision may be used for administrative and ~~permanent personnel~~ costs.

(c) *Not more than ten percent of the money available under this subdivision may be used for permanent personnel costs.*

(d) The commissioner shall prepare an annual work plan for the use of the revenue and provide copies of the plan, and amendments, to the senate and house committees having jurisdiction over environment and natural resources matters and to other interested parties. The committees must review issues and trends in the management and improvement of fishing resources using information obtained by and presented to the committees by public and private agencies and organizations and other parties interested in management and improvement of fishing resources.

Sec. 45. Minnesota Statutes 1992, section 97A.071, subdivision 2, is amended to read:

Subd. 2. [REVENUE FROM THE SMALL GAME LICENSE SURCHARGE.] Revenue from the small game surcharge shall be credited to the wildlife acquisition account and the money in the account shall be used by the commissioner for the purposes of this section, and acquisition *and development* of wildlife lands under section 97A.145, in accordance with appropriations made by the legislature.

Sec. 46. Minnesota Statutes 1992, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. [DEER AND BEAR LICENSES.] (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (4) and (5), and 3, clauses (2) and (3).

(b) At least \$2 from each deer license shall be used for deer habitat improvement *or deer management programs*.

(c) At least \$1 from each resident deer license and each resident bear license shall be used for deer and bear management programs, including a computerized licensing system.

Sec. 47. Minnesota Statutes 1992, section 97A.075, subdivision 4, is amended to read:

Subd. 4. [PHEASANT STAMP.] The commissioner may use the revenue from pheasant stamps for:

(1) the development, restoration, maintenance, and preservation of suitable habitat for ringnecked pheasants on public and private land including the establishment of nesting cover, winter cover, and reliable food sources;



(2) reimbursement of landowners for setting aside lands for pheasant habitat;

(3) reimbursement of expenditures to provide pheasant habitat on public and private land;

(4) the promotion of pheasant habitat development, maintenance, and preservation; and

(5) necessary related administrative and personnel costs not to exceed ten percent of the annual revenue.

Sec. 48. Minnesota Statutes 1992, section 97A.441, is amended by adding a subdivision to read:

*Subd. 7. [OWNERS OR TENANTS OF AGRICULTURAL LAND.] (a) The commissioner may issue, without an additional fee, a license to take additional deer with firearms under section 97B.301, subdivision 4, to a person who is an owner or tenant and lives on at least ten acres of agricultural land, as defined in section 97B.001, in an area where the commissioner has made these licenses available. Landowners and tenants applying for a license under this subdivision must receive preference over other applicants for the licenses.*

*(b) Persons who obtain a license under paragraph (a) must allow public deer hunting on their land during that deer hunting season.*

Sec. 49. Minnesota Statutes 1992, section 97A.475, subdivision 12, is amended to read:

*Subd. 12. [FISH HOUSES; NONRESIDENT.] The fee Fees for a fish house license licenses for a nonresident is ~~\$21.50~~ are:*

*(1) annual, \$25; and*

*(2) seven consecutive days, \$14.*

Sec. 50. Minnesota Statutes 1992, section 97C.355, subdivision 2, is amended to read:

*Subd. 2. [LICENSE REQUIRED.] A person may not take fish from a dark house or fish house unless the house is licensed and has a metal license tag attached to the exterior as prescribed by the commissioner, except as provided in this subdivision. The commissioner must issue a metal tag that is at least two inches in diameter with a 3/16 inch hole in the center with a dark house or fish house license. The metal tag must be stamped with a number to correspond with the license and the year of issue. A dark house or fish house license is not required of a resident on boundary waters where the adjacent state does not charge a fee for the same activity.*

Sec. 51. Minnesota Statutes 1992, section 103F.725, is amended by adding a subdivision to read:

*Subd. 3. [APPROPRIATION.] Fifty percent of any amount credited to the water recreation account in the natural resources fund in excess of the amount credited to the account in fiscal year 1993, that is attributable to an increase in revenue under section 296.16, is annually appropriated to the commissioner for transfer to the pollution control agency for the purposes of sections 103F.701 to 103F.761. The funds must be transferred by September 30 for the preceding fiscal year.*

Sec. 52. [115A.9231] [ASSESSMENT AUTHORIZED; REMITTANCE TO COMMISSIONER OF REVENUE.]

*(a) A municipal solid waste collector licensed in section 115A.93 must charge a volume based solid waste management assessment in the amount of 70 cents per cubic yard or equivalent from each residential and commercial generator served by the solid waste collector. The solid waste management assessment shall be remitted to the department of revenue in the same manner as the sales tax.*

*(b) The assessment collected under this section must be remitted to the department of revenue and credited as follows:*

*(1) 30 cents per cubic yard, or the equivalent, must be credited to the environmental account; and*

*(2) the balance must be credited to the landfill cleanup account established in section 115B.42.*

Sec. 53. Minnesota Statutes 1992, section 115A.96, subdivision 3, is amended to read:

Subd. 3. [OTHER PARTICIPANTS.] *(a) The agency may establish or operate all or part of the management program or may provide for services by contract or other agreement with public or private entities.*

*(b) The agency shall allow these programs to accept up to 100 pounds of waste per year from a hazardous waste generator that generates 220 pounds or less of hazardous waste per month.*

Sec. 54. Minnesota Statutes 1992, section 115A.96, subdivision 4, is amended to read:

Subd. 4. [MANAGEMENT.] Any person who establishes or operates all or part of a household hazardous waste management program shall manage collected waste in compliance with standards applicable to a hazardous waste generator. If collected waste must be stored for a time exceeding those standards, the agency or other entity shall obtain the approval of the commissioner of the agency and shall manage the waste in compliance with applicable standards for the use and management of containers, but no facility permit is required. *Waste accepted under subdivision 3, paragraph (b), must be managed in accordance with standards applicable to the waste.*

Sec. 55. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 1a. [TAXES IMPOSED.] *A generator of hazardous waste shall pay a tax in an amount equal to the greater of the applicable base tax under subdivision 2a or the quantity tax determined under subdivision 3a.*

Sec. 56. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

Subd. 2a. [BASE TAX.] *(a) The base tax for large quantity generators, as defined in rules of the agency, is \$500.*

*(b) The base tax for small quantity generators, as defined in rules of the agency, is \$200.*

(c) *The base tax for very small quantity generators, as defined in rules of the agency, that produce more than 100 pounds per year of hazardous waste is \$50.*

(d) *The base tax for very small quantity generators, as defined in rules of the agency, that produce 100 pounds or less per year of hazardous waste is \$0.*

Sec. 57. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

*Subd. 3a. [QUANTITY TAX.] (a) The quantity tax does not apply to very small quantity generators, as defined in the rules of the agency. The quantity tax is determined as provided in paragraphs (b) to (d).*

*(b) Generators of hazardous waste managed using either of the following methods as defined in rules adopted under sections 115.03, 116.07, and 116.37 shall pay taxes on the waste at the rate of .5 cents per pound of solid or five cents per gallon of liquid:*

*(1) hazardous wastes that are hazardous prior to discharge to a publicly owned wastewater treatment works; and*

*(2) hazardous wastes managed as a hazardous waste fuel or using thermal treatment.*

*(c) Generators of hazardous waste managed using any of the following methods as defined in rules adopted under sections 115.03, 116.07, and 116.37 are exempt from paying taxes on the wastes:*

*(1) hazardous wastes that are destined for recycling, including waste accumulated, stored, or treated prior to recycling;*

*(2) hazardous wastes that are either (i) pretreated to a nonhazardous state prior to discharge to a publicly owned treatment works, or (ii) treated to a nonhazardous state after treatment in an on-site treatment system either of which has obtained and is operated in accordance with a national pollution discharge elimination system permit, state disposal system permit, or both, from the agency; and*

*(3) hazardous wastes that are neutralized and are not otherwise hazardous waste after neutralizing.*

*(d) Generators of hazardous waste shall pay taxes on hazardous wastes managed using any other method not mentioned in this subdivision at the rate of five cents per pound of solid or 50 cents per gallon of liquid.*

Sec. 58. Minnesota Statutes 1992, section 115B.22, is amended by adding a subdivision to read:

*Subd. 4a. [HAZARDOUS WASTES NOT SUBJECT TO TAX.] The taxes imposed by this section do not apply to hazardous wastes generated as a result of a response action, hazardous wastes generated as a residue from a hazardous waste incineration facility that treats wastes subject to taxation under this subdivision, or hazardous wastes generated as a result of lead acid battery smelting.*

Sec. 59. [115B.223] [HAZARDOUS WASTE GENERATOR LOAN PROGRAM.]

*Subdivision 1. [ESTABLISHMENT.] A hazardous waste generator revolving loan program is established to provide loans to small businesses for the purpose of conducting response actions to clean up releases of hazardous waste.*

*Subd. 2. [RULES.] (a) The commissioner of the pollution control agency may adopt rules regarding practices and procedures including, but not limited to:*

- (1) form and procedure for loan application;*
- (2) terms for loans and loan repayment; and*
- (3) criteria for eligibility.*

*(b) The commissioner of the pollution control agency may adopt emergency rules under this subdivision for one year following the effective date of this section.*

*Subd. 3. [ELIGIBLE BORROWER.] To be eligible for a loan under this section, a borrower must:*

- (1) be a generator of hazardous waste;*
- (2) have a release or suspected release of hazardous waste;*
- (3) own or operate the facility at which the release of hazardous waste occurred;*
- (4) have less than 50 full-time employees;*
- (5) have an after-tax profit of less than \$500,000; and*
- (6) have a net worth of less than \$1,000,000.*

*Subd. 4. [LOAN APPLICATION PROCEDURE.] An eligible borrower may apply for a loan after the commissioner approves a plan for the response actions. Loans will be awarded to eligible borrowers in the order that applications are received by the pollution control agency.*

*Subd. 5. [LIMITATION ON LOAN OBLIGATION.] A loan made under this section is limited to the money available in the hazardous waste generator loan account.*

*Subd. 6. [LOAN CONDITIONS.] A loan made under this section must include:*

- (1) an interest rate of one percent less than the prime rate;*
- (2) a term of payment of not more than five years; and*
- (3) an amount not less than \$1,000 or exceeding \$50,000.*

**Sec. 60. [115B.224] [HAZARDOUS WASTE GENERATOR LOAN ACCOUNT.]**

*The hazardous waste generator loan account is established in the environmental response, compensation, and compliance account for the purposes described in section 115B.223. Money in the account is annually appropriated to the commissioner of the pollution control agency for the purposes of this section. Loan repayments must be credited to the hazardous waste generator loan account.*

Sec. 61. Minnesota Statutes 1992, section 115B.24, subdivision 6, is amended to read:

Subd. 6. [PAYMENT BY OUT-OF-STATE GENERATORS.] A generator of any hazardous waste which is generated outside of this state and is transported into this state for ~~long-term containment or treatment as described in section 115B.22, subdivisions 2 to 5~~ *treatment or disposal* shall pay the tax imposed by section 115B.22 at the first point at which the hazardous wastes are received by a person in this state for ~~storage, treatment or long-term containment~~ *disposal*. The tax shall be paid to the person who first receives the wastes in this state at the time the waste is received and shall be remitted by that person to the commissioner of revenue quarterly in the form and manner provided by the commissioner.

Sec. 62. Minnesota Statutes 1992, section 115B.42, subdivision 2, is amended to read:

Subd. 2. [EXPENDITURES.] Subject to appropriation, money in the account may be spent for:

(1) inspection of mixed municipal solid waste disposal facilities to:

(1) (i) evaluate the adequacy of final cover, slopes, vegetation, and erosion control;

(2) (ii) determine the presence and concentration of hazardous substances, pollutants or contaminants, and decomposition gases; and

(3) (iii) determine the boundaries of fill areas; *and*

(2) *response actions, as defined in section 115B.02, subdivision 18, at mixed municipal solid waste disposal facilities.*

Sec. 63. Minnesota Statutes 1992, section 115D.07, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT TO PREPARE AND MAINTAIN A PLAN.] (a) Persons who operate a facility required by United States Code, title 42, section 11023, *or section 299K.08, subdivision 3*, to submit a toxic chemical release form shall 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 January 1, 1995, for facilities required to report under section 299K.08, subdivision 3, that have a two-digit standard industrial classification of 01 to 50;*

(4) *by July 1, 1995, for facilities required to report under section 299K.08, subdivision 3, that have a two-digit standard industrial classification of 51 to 99; and*

(5) by July 1, 1992, for all other persons required to prepare a plan under this subdivision.

(c) *Except for facilities that release less than a total of 10,000 pounds of toxic pollutants annually, the plan must be completed for facilities that become subject to this subdivision after July 1, 1993, by six months after the first submittal for the facility under United States Code, title 42, section 11023, or section 299K.08, subdivision 3.*

(d) *Facilities that release less than a total of 10,000 pounds of toxic pollutants annually must complete their plans by July 1, 1992.*

(d) (e) *Each plan must be updated every two years and must be maintained at the facility to which it pertains.*

Sec. 64. Minnesota Statutes 1992, section 115D.10, is amended to read:

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 115D.01 to 115D.12. The report must be submitted by December 15 of each ~~odd-numbered year, beginning in 1992.~~

Sec. 65. Minnesota Statutes 1992, section 115D.12, subdivision 2, is amended to read:

Subd. 2. [FEES.] (a) *Persons required by United States Code, title 42, section 11023, to submit a toxic chemical release form to the commission, and owners or operators of facilities listed in section 299K.08, subdivision 3, shall pay a pollution prevention fee of \$150 for each toxic pollutant reported released plus a fee based on the total pounds of toxic pollutants reported as released from each facility. Facilities reporting less than 25,000 pounds annually of toxic pollutants released per facility shall be assessed a fee of \$500. Facilities reporting annual releases of toxic pollutants in excess of 25,000 pounds shall be assessed a graduated fee at the rate of two cents per pound of toxic pollutants reported.*

(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 a pollution prevention fee of \$500 per facility. Hazardous waste as used in this paragraph has the meaning given it in section 116.06, subdivision 11, and Minnesota Rules, chapter 7045.*

(c) *Fees required under this subdivision must be paid to the director by January 1 of each year. The fees shall be deposited in the state treasury and credited to the environmental fund.*

Sec. 66. [115D.14] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] As used in sections 66 and 67, the terms defined in this section have the meanings given.*

*Subd. 2. [AGENCY.] "Agency" means the pollution control agency.*

*Subd. 3. [INTEGRITY OF AQUATIC OR TERRESTRIAL ECOSYSTEMS.] "Integrity of aquatic or terrestrial ecosystems" means the maintenance of mutually beneficial species of plants and animals and of other natural characteristics so that the biological viability of the ecosystem is ensured.*

*Subd. 4. [TOXIC AIR CONTAMINANT.] "Toxic air contaminant" means an air contaminant that may cause or contribute to an increase in mortality or an increase in a chronic or an acute illness, or which may pose a present or potential hazard to human health or the integrity of aquatic or terrestrial ecosystems.*

**Sec. 67. [115D.15] [REPORTS TO THE LEGISLATURE.]**

*Subdivision 1. [INITIAL REPORT.] By January 1, 1995, the agency must submit to the environment and natural resources committees of the legislature a report that includes:*

*(1) a five-year regulatory strategy to protect the public health and the environment from emissions of toxic air contaminants; and*

*(2) a list prioritizing and categorizing facilities emitting toxic air contaminants.*

*Subd. 2. [CONTINUING REPORTS.] Beginning January 1, 1997, and every two years thereafter, the agency shall submit to the legislative committees with jurisdiction over environment and natural resource issues a report that provides an update of the following:*

*(1) an analysis of the achievements, shortfalls, and resource needs for implementing the agency's strategy under subdivision 1, clause (1);*

*(2) an analysis of the data collected from the agency's statewide monitoring and inventory program under section 116.454;*

*(3) an analysis of reductions in emissions of toxic air contaminants; and*

*(4) an updated list prioritizing and categorizing facilities emitting toxic air contaminants.*

**Sec. 68. Minnesota Statutes 1992, section 116J.401, is amended to read:**

**116J.401 [POWERS AND DUTIES.]**

The commissioner of trade and economic development shall:

*(1) provide regional development commissions, the metropolitan council, and units of local government with information, technical assistance, training, and advice on using federal and state programs;*

*(2) receive and administer the small cities community development block grant program authorized by Congress under the Housing and Community Development Act of 1974, as amended;*

*(3) receive and administer the section 107 technical assistance program grants authorized by Congress under the Housing and Community Development Act of 1974, as amended;*

*(4) receive and administer grants for the Minnesota jail resource center authorized by Congress under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended;*

*(5) receive and administer the land and water conservation grant program authorized by Congress under the Land and Water Conservation Fund Act of 1965, as amended;*

(6) receive and administer other state and federal grants and grant programs for planning, community affairs, community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07; and

(7) (6) receive applications for state and federal grants and grant programs for planning, community affairs, and community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07.

Sec. 69. Minnesota Statutes 1992, section 116P.10, is amended to read:

116P.10 [ROYALTIES, COPYRIGHTS, PATENTS.]

*This section applies to projects supported by the trust fund, the Minnesota future resources fund, and the oil overcharge money referred to in section 4.071, subdivision 2, each of which is referred to in this section as a "fund."* The trust fund owns and shall take title to the percentage of a royalty, copyright, or patent resulting from a project supported by the trust fund equal to the percentage of the project's total funding provided by the trust fund. Cash receipts resulting from a royalty, copyright, or patent, or the sale of the trust fund's rights to a royalty, copyright, or patent, must be credited immediately to the principal of the trust fund. Before a project is included in the budget plan, the commission may vote to relinquish the ownership or rights to a royalty, copyright, or patent resulting from a project supported by the trust fund to the project's proposer when the amount of the original grant or loan, plus interest, has been repaid to the trust fund.

Sec. 70. Minnesota Statutes 1992, section 160.265, is amended to read:

160.265 [BIKEWAY PROGRAM.]

Subdivision 1. [STATE BIKEWAYS.] The commissioner of transportation shall establish a program for the development of bikeways primarily on existing road rights-of-way. The program shall include a system of bikeways to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bikeways primarily on existing road rights-of-way. The program shall be coordinated with the local park trail grant program established by the commissioner of trade and economic development natural resources pursuant to section ~~160.406~~ 85.019, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bikeways. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The program shall be developed after consultation with the state trail council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bikeways in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the bikeways. The metropolitan council, the commissioner of natural resources, the commissioner of trade and economic development, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary



and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 14.

Subd. 2. [LOCAL BIKEWAY GRANTS.] The commissioner shall provide technical assistance to local units of government in planning and developing bikeways. The commissioner shall make grants to units of government as defined in section ~~461.406~~ 85.019, subdivision 1, for the betterment of public land and improvements needed for local bikeways. In making grants the commissioner shall consider, among other factors, the number of bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bikeway. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the bikeway. The commissioner may adopt emergency rules pursuant to sections 14.05 to 14.36 to commence the grant program immediately.

Sec. 71. Minnesota Statutes 1992, section 168.013, is amended by adding a subdivision to read:

*Subd. 8a. [FOREST ROAD ACCOUNT.] The amount of motor vehicle registration tax attributable to vehicles used on forest roads is 0.116 percent of the revenue collected under this section, after refunds, credits, and exemptions. This amount is appropriated from the highway user tax distribution fund and must be transferred and credited in equal installments on July 1 and January 1 to the state forest road account established in section 89.70. An amount equal to 0.0555 percent of the motor vehicle registration tax, after refunds, credits, and exemptions, must be transferred from the forest road account to counties for management and maintenance of forest roads.*

Sec. 72. Minnesota Statutes 1992, section 297A.45, is amended by adding a subdivision to read:

*Subd. 5. [SEPARATE ACCOUNTING.] The commissioner shall account for revenue collected from public and private mixed municipal solid waste collection and disposal services under this section separately from other tax revenue collected under this chapter.*

Sec. 73. Minnesota Statutes 1992, section 299K.08, is amended by adding a subdivision to read:

*Subd. 3. [TOXIC CHEMICAL RELEASE REPORTING.] In addition to facilities specified in the federal act, the following facilities shall comply with the toxic chemical release reporting requirements of section 11023 of the federal act: facilities having a two-digit standard industrial classification of 10 to 14, 40, 42, 44 to 46, or 49; a three-digit standard industrial classification of 172, 505, 507, 508, 516, 517, 721, 806, 807, 822, or 824; or a four-digit standard industrial classification of 0782, 5191, 5198, 7342, 7384, 7389, 7532, 7623, 8734, or 9223. For the facilities added in this section, the toxic chemical release reporting requirements of section 11023 of the federal act, and sections 115D.07, 115D.08, and 115D.12, do not apply to substances that are associated with or incidental to the combustion of fossil fuels or other fuels for the generation of electricity or the production of steam.*

Sec. 74. Minnesota Statutes 1992, section 473.351, subdivision 2, is amended to read:

Subd. 2. [METROPOLITAN COUNCIL OBLIGATION.] Annually before August 1 the metropolitan council shall distribute grant money received from the commissioner of ~~trade and economic development~~ natural resources to

fund the operation and maintenance expenditures of the implementing agencies for the operation and maintenance of regional park and open space systems. The metropolitan council shall annually report to the legislature the amount distributed to each implementing agency and its estimate of the percentage of operation and maintenance expenditures paid for with operation and maintenance money.

**Sec. 75. [REPORT ON GAME AND FISH ACCOUNTS.]**

*By January 15, 1995, the commissioner of natural resources shall report to the legislative committees on environment and natural resources with recommended changes to the laws repealed in section 79, paragraph (b), and related license fees. It is the intent of the legislature that the repealer in section 79, paragraph (b), be reconsidered in light of the report required in this section.*

**Sec. 76. [INSURANCE BUYOUT FORMULA FOR LANDFILL LIABILITY.]**

*The commissioner of commerce shall prepare a recommended formula for determining a specific amount an insurance company may tender to the state in lieu of payment of benefits, if any, under all applicable policies issued by the company which may be claimed to provide coverage for damages arising out of contamination at permitted mixed municipal solid waste disposal facilities. By November 1, 1993, the commissioner shall submit the recommended formula to the senate committees on environment and natural resources and commerce and consumer protection and the house of representatives committees on environment and natural resources and financial institutions and insurance. The formula must take into account the likelihood and extent of coverage, if any, under the applicable policies, and other factors determined by the commissioner to be relevant. The commissioner shall also report on the fiscal impact of the formula on insurance companies which may have issued applicable policies. The commissioner shall consult with insurance industry representatives in developing the formula. The commissioner may contract with actuaries and other consultants in developing the formula. The commissioner of the pollution control agency shall cooperate with the commissioner of commerce in developing the formula.*

**Sec. 77. [CLAIMS OF MARSHALL COUNTY RELATING TO CONSOLIDATED CONSERVATION LANDS.]**

*The commissioner of natural resources shall review claims from Marshall county for road construction and maintenance costs from 1986 to 1992 that are payable under Minnesota Statutes, section 84A.32, subdivision 1, paragraph (d), and shall pay appropriate amounts from the state portion of Marshall county receipts. The commissioner shall prepare a five-year projection of receipts available to pay the claims and report the amounts to the county and the legislature. Claims for calendar year 1993 and subsequent years must be submitted on forms provided by the commissioner by April 15 of the following calendar year.*

**Sec. 78. [DEPARTMENT OF NATURAL RESOURCES; CONDITION FOR TRAINING PROGRAM.]**

*The department may not establish a training program for seasonal employees unless, pursuant to Minnesota Statutes, chapter 179A, the terms and conditions of employment are negotiated with the exclusive representative*

*of the bargaining unit for that class of employee which would otherwise provide the services to be rendered by the trainees.*

Sec. 79. [REPEALER.]

*(a) Minnesota Statutes 1992, sections 115B.21, subdivisions 4 and 6; and 115B.22, subdivisions 1, 2, 3, 4, 5, and 6, are repealed on January 1, 1994.*

*(b) Section 43 and Minnesota Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 2, 3, and 4; 97B.715, subdivision 1; 97B.801; and 97C.305, are repealed effective March 1, 1997.*

Sec. 80. [EFFECTIVE DATE.]

*Sections 55 and 72 are effective January 1, 1994. Section 78 is effective the day following final enactment."*

Delete the title and insert:

'A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; transferring responsibilities to the commissioner of natural resources; establishing food handling reinspection fees; continuing the citizen's council on Voyageurs national park; providing for crop protection assistance; changing certain license fees; imposing a solid waste assessment; modifying the hazardous waste generator tax; establishing a hazardous waste generator loan program; expanding the number of facilities subject to pollution prevention requirements; requiring a toxic air contaminant strategy; amending Minnesota Statutes 1992, sections 17.59, subdivision 5; 17A.11; 18B.05, subdivision 2; 18C.131; 21.115; 21.92; 25.39, subdivision 4; 27.07, subdivision 6; 28A.08; 32.394, subdivision 9; 32A.05, subdivision 4; 41A.09, by adding a subdivision; 84.027, by adding a subdivision; 85.016; 85.22, subdivision 2a; 85A.02, subdivision 17; 88.79, subdivision 2; 97A.055, subdivision 1, and by adding a subdivision; 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 1 and 4; 97A.441, by adding a subdivision; 97A.475, subdivision 12; 97C.355, subdivision 2; 103F.725, by adding a subdivision; 115A.96, subdivisions 3 and 4; 115B.22, by adding subdivisions; 115B.24, subdivision 6; 115B.42, subdivision 2; 115D.07, subdivision 1; 115D.10; 115D.12, subdivision 2; 116J.401; 116P.10; 160.265; 168.013, by adding a subdivision; 297A.45, by adding a subdivision; 299K.08, by adding a subdivision; 473.351, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 85; 88; 97A; 115A; 115B; and 115D; repealing Minnesota Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 2; 97A.075, subdivisions 2, 3, and 4; 97B.715, subdivision 1; 97B.801; 97C.305; 115B.21, subdivisions 4 and 6; 115B.22, subdivisions 1, 2, 3, 4, 5, and 6.'

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. 669: A bill for an act relating to game and fish; stamp design; training of hunting dogs; clothing requirements; raccoon season; rough fish taking by nonresidents; muskie size limits; taking of mussels; amending Minnesota Statutes 1992, sections 97A.045, subdivision 7; 97B.005; subdivisions 2 and 3; 97B.071; 97B.621, subdivision 1; 97C.375; 97C.405; and

97C.701, subdivisions 1 and 2; repealing Minnesota Statutes 1992, sections 97A.541; 97C.701, subdivisions 3, 4, and 5; 97C.705; and 97C.711.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [84.085] [ADVANCE OF MATCHING FUNDS.]

*The commissioner may advance funds appropriated for fish and wildlife programs to government agencies, the National Fish and Wildlife Foundation, federally recognized Indian tribes and bands, and private, nonprofit organizations for the purposes of securing nonstate matching funds for projects involving acquisition and improvement of fish and wildlife habitat and related research and management. The commissioner shall execute agreements for contracts with the matching parties under section 16B.06 prior to advancing any state funds. The agreement or contract shall contain provisions for return of the state's share and the matching funds within a period of time specified by the commissioner. The state's funds and the nonstate matching funds must be deposited in a separate account and expended solely for the purposes set forth in the agreement or contract. The commissioner shall enter into agreements or contracts only with the National Fish and Wildlife Foundation and federal and nonprofit authorities deemed by the commissioner to be dedicated to the purposes of the project.*

Sec. 2. Minnesota Statutes 1992, section 97A.015, subdivision 49, is amended to read:

Subd. 49. [UNDRESSED BIRD.] “Undressed bird” means:

(1) a bird, excluding migratory waterfowl, *pheasant, Hungarian partridge, or grouse*, with feet and feathered head intact; or

(2) a migratory waterfowl with a fully feathered wing *and head* attached; or

(3) *a pheasant, Hungarian partridge, or grouse with one leg and foot or the fully feathered head or wing intact.*

Sec. 3. Minnesota Statutes 1992, section 97A.045, subdivision 7, is amended to read:

Subd. 7. [DUTY TO ENCOURAGE STAMP DESIGN AND PURCHASES.] (a) The commissioner shall encourage the purchase of:

(1) Minnesota migratory waterfowl stamps by nonhunters interested in the migratory waterfowl preservation and habitat development;

(2) pheasant stamps by persons interested in pheasant habitat improvement; and

(3) trout and salmon stamps by persons interested in trout and salmon stream and lake improvement.

(b) *The commissioner may adopt rules governing contests for selecting a design for each stamp.*

Sec. 4. [97A.127] [FINANCING WATERFOWL DEVELOPMENT.]

*The commissioner may use funds appropriated for fish and wildlife programs for the purpose of developing, preserving, restoring, and maintaining waterfowl breeding grounds in Canada under agreement or contract with any nonprofit organization dedicated to the construction, maintenance, and repair of projects that are acceptable to the governmental agency having jurisdiction over the land and water affected by the projects. The commissioner may execute agreements and contracts if the commissioner determines that use of the funds will benefit the migration of waterfowl into the state.*

Sec. 5. Minnesota Statutes 1992, section 97A.475, subdivision 12, is amended to read:

Subd. 12. [FISH HOUSES; NONRESIDENT.] ~~The fee Fees~~ for a fish house ~~license licenses~~ for a nonresident is ~~\$21.50~~ are:

- (1) annual, \$25; and
- (2) seven consecutive days, \$14.

Sec. 6. Minnesota Statutes 1992, section 97B.005, subdivision 2, is amended to read:

Subd. 2. [RESTRICTION ON AMMUNITION WHILE TRAINING.] A person ~~that~~ is training a dog afield and carrying a firearm may only have blank cartridges and shells in personal possession when the season is not open for any game bird, *except as provided in subdivision 3.*

Sec. 7. Minnesota Statutes 1992, section 97B.005, subdivision 3, is amended to read:

Subd. 3. [PERMITS FOR ORGANIZATIONS TO USE GAME BIRDS AND FIREARMS.] The commissioner may issue special permits, without a fee, ~~to organizations~~ to use firearms and live ammunition on domesticated birds or banded game birds from game farms for holding field trials and training ~~retrieving~~ hunting dogs.

Sec. 8. Minnesota Statutes 1992, section 97B.045, is amended to read:

97B.045 [TRANSPORTATION OF FIREARMS.]

*Subdivision 1. [RESTRICTIONS.] A person may not transport a firearm in a motor vehicle unless the firearm is:*

(1) unloaded and in a gun case expressly made to contain a firearm, and the case fully encloses the firearm by being zipped, snapped, buckled, tied, or otherwise fastened, and without any portion of the firearm exposed;

(2) unloaded and in the closed trunk of a motor vehicle; or

(3) a handgun carried in compliance with sections 624.714 and 624.715.

*Subd. 2. [EXCEPTION FOR DISABLED PERSONS.] The restrictions in subdivision 1 do not apply to a disabled person if:*

(1) the person possesses a permit under section 97B.055, subdivision 3;

(2) the person is participating in a hunt sponsored by a nonprofit organization under a permit from the commissioner or is hunting on property owned or leased by the person; and

(3) *the firearm is not loaded in the chamber until the vehicle is stationary, or is a hinge action firearm with the action open until the vehicle is stationary.*

Sec. 9. Minnesota Statutes 1992, section 97B.071, is amended to read:

97B.071 [RED OR BLAZE ORANGE REQUIREMENTS.]

A person may not hunt or trap during the open season in a zone or area where deer may be taken by firearms, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is bright red or blaze orange. Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square. *This section does not apply to migratory waterfowl hunters on waters of this state or in a stationary shooting location.*

Sec. 10. Minnesota Statutes 1992, section 97B.111, is amended to read:

97B.111 [SPECIAL FIREARM HUNTING SEASONS FOR PHYSICALLY DISABLED.]

*Subdivision 1. [ESTABLISHMENT; REQUIREMENTS.]* The commissioner may establish criteria, special seasons, and limits for persons who have a physical disability to take big game and small game with firearms and by archery in designated areas. A person hunting under this section who has a physical disability must have a verified statement of the disability by a licensed physician and must be participating in a program for physically disabled hunters sponsored by a nonprofit organization *that is permitted under subdivision 2.* A license is not required for a person to assist a physically disabled person hunting during a special season under this section.

*Subd. 2. [PERMIT FOR ORGANIZATION.] (a) The commissioner may issue a special permit without a fee to a nonprofit organization to provide an assisted hunting opportunity to physically disabled hunters. The assisted hunting opportunity may take place:*

- (1) *in areas designated by the commissioner under subdivision 1; or*
- (2) *on private property or a licensed shooting preserve.*

*(b) The sponsoring organization shall provide a physically capable person to assist each disabled hunter with safety-related aspects of hunting.*

*(c) The commissioner may impose reasonable permit conditions.*

Sec. 11. Minnesota Statutes 1992, section 97B.211, subdivision 1, is amended to read:

Subdivision 1. [POSSESSION OF FIREARMS PROHIBITED.] A person may not take ~~big game~~ deer by archery while in possession of a firearm.

Sec. 12. Minnesota Statutes 1992, section 97B.301, subdivision 4, is amended to read:

Subd. 4. [TAKING TWO MORE THAN ONE DEER.] The commissioner may, by rule, allow a person to take ~~two more than one~~ deer. The commissioner shall prescribe the conditions for taking the ~~second~~ additional deer including:

- (1) taking by firearm or archery;
- (2) obtaining an additional ~~license~~ licenses; and

- (3) payment of a fee not more than the fee for a firearms deer license; *and*
- (4) *the total number of deer that an individual may take.*

Sec. 13. Minnesota Statutes 1992, section 97B.301, is amended by adding a subdivision to read:

*Subd. 6. [RESIDENTS UNDER AGE 16 MAY TAKE DEER OF EITHER SEX.] (a) A resident under the age of 16 may take a deer of either sex. This subdivision does not authorize the taking of an antlerless deer by another member of a party under subdivision 3.*

*(b) This subdivision is repealed effective December 31, 1995.*

Sec. 14. Minnesota Statutes 1992, section 97B.311, is amended to read:

97B.311 [DEER SEASONS AND RESTRICTIONS.]

(a) The commissioner may, by rule, prescribe restrictions and designate areas where deer may be taken. The commissioner may, by rule, prescribe the open seasons for deer within the following periods:

(1) taking with firearms, other than muzzle-loading firearms, between November 1 and December 15;

(2) taking with muzzle-loading firearms between September 1 and December 31; and

(3) taking by archery between September 1 and December 31.

*(b) Notwithstanding paragraph (a), the commissioner may establish special seasons within designated areas between September 1 and January 15.*

Sec. 15. Minnesota Statutes 1992, section 97B.621, subdivision 1, is amended to read:

Subdivision 1. [SEASON.] The statewide open season for raccoon may be ~~prescribed~~ *set* by the commissioner ~~between October 15 and December 31.~~

Sec. 16. Minnesota Statutes 1992, section 97B.901, is amended to read:

97B.901 [COMMISSIONER MAY REQUIRE TAGS ON FUR-BEARING ANIMALS.]

The commissioner may, by rule, require persons taking, *possessing, and transporting* fur-bearing animals to tag the animals ~~where they are taken.~~ The commissioner shall prescribe the manner of issuance and the type of tag, which must show the year of issuance. The commissioner shall issue the tag, without a fee, upon request.

Sec. 17. Minnesota Statutes 1992, section 97B.911, is amended to read:

97B.911 [MUSKRAT SEASONS.]

The commissioner may establish open seasons for muskrat ~~between October 25 and April 30. The open season in an area may not exceed 90 days.~~ The commissioner may prescribe restrictions for the taking of muskrat.

Sec. 18. Minnesota Statutes 1992, section 97B.915, is amended to read:

97B.915 [MINK SEASONS.]

The commissioner may establish open seasons for mink ~~between October 25 and April 30. The open season in an area may not exceed 90 days.~~ The commissioner may prescribe restrictions for the taking of mink.

Sec. 19. Minnesota Statutes 1992, section 97B.921, is amended to read:  
97B.921 [OTTER SEASONS.]

The commissioner may establish open seasons *and restrictions for taking otter between October 25 and April 30. Otter may be taken only by trapping and the taking is subject to restrictions prescribed by the commissioner.*

Sec. 20. Minnesota Statutes 1992, section 97B.925, is amended to read:  
97B.925 [BEAVER SEASONS.]

The commissioner may establish open seasons *and restrictions for taking beaver between October 25 and April 30. Beaver may be taken only by trapping and the taking is subject to restrictions prescribed by the commissioner.*

Sec. 21. Minnesota Statutes 1992, section 97C.375, is amended to read:  
97C.375 [TAKING ROUGH FISH BY SPEARING OR ARCHERY.]

A ~~resident~~ person may take rough fish by spearing or archery during the times, in waters, and in the manner prescribed by the commissioner, *except that a nonresident may not spear through the ice.*

Sec. 22. Minnesota Statutes 1992, section 97C.515, is amended by adding a subdivision to read:

*Subd. 5. [SPECIAL PERMITS.] (a) The commissioner may issue a special permit, without a fee, to allow a person with a private fish hatchery license to import minnows from other states for export. A permit under this subdivision is not required for importation authorized under subdivision 4.*

*(b) An applicant for a permit under this subdivision shall submit to the commissioner sufficient information to identify potential threats to native plant and animal species and an evaluation of the feasibility of the proposal. The permit may include reasonable restrictions on importation, transportation, possession, containment, and disposal of minnows to ensure that native species are protected. The permit may have a term of up to two years and may be modified, suspended, or revoked by the commissioner for cause, including violation of a condition of the permit.*

Sec. 23. Minnesota Statutes 1992, section 97C.701, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER'S AUTHORITY.] The commissioner may by rule set size limits and prescribe conditions for *the taking, possession, transportation, sale, and purchase of mussels.*

Sec. 24. Minnesota Statutes 1992, section 97C.701, is amended by adding a subdivision to read:

*Subd. 1a. [HAND-PICKING REQUIRED.] A person may only harvest mussels by hand-picking.*

Sec. 25. Minnesota Statutes 1992, section 97C.705, subdivision 1, is amended to read:



Subdivision 1. [OPEN SEASON SEASONS.] (a) The open season for taking mussels is from May 16 to the last day of February.

(b) The commissioner may by rule restrict the open season for taking mussels for commercial purposes.

Sec. 26. Minnesota Statutes 1992, section 97C.711, is amended to read:

97C.711 [MUSSEL SIZE LIMITS.]

A person who has a commercial harvest permit may not take three ridge mussels less than ~~1-3/4~~ 2-3/4 inches in the greatest dimension, except pigtoes. A person must return undersized mussels to the water without injury.

Sec. 27. Laws 1991, chapter 354, article 11, section 2, subdivision 2, is amended to read:

Subd. 2. [EXISTING BONDING AUTHORITY.] Existing funds previously appropriated from the bond proceeds fund for the waterbank program under Minnesota Statutes, section 105.392, are to be used to complete the acquisition of Byrne Lake. Remaining funds are transferred and appropriated to the board of water and soil resources for easements under article 3, section 1.

Sec. 28. [REPEALER.]

Minnesota Statutes 1992, sections 97A.541; and 97C.701, subdivisions 2, 3, 4, and 5, are repealed."

Delete the title and insert:

"A bill for an act relating to game and fish; funding for wildlife habitat; stamp design; training of hunting dogs; disabled hunters; clothing requirements; taking of deer; nonresident fish house license fees; raccoon season; seasons for and tagging of fur-bearing animals; rough fish taking by nonresidents; importation of minnows; taking, possession, transportation, sale, and purchase of mussels; use of certain appropriated funds; amending Minnesota Statutes 1992, sections 97A.015, subdivision 49; 97A.045, subdivision 7; 97A.475, subdivision 12; 97B.005, subdivisions 2 and 3; 97B.045; 97B.071; 97B.111; 97B.211, subdivision 1; 97B.301, subdivision 4, and by adding a subdivision; 97B.311; 97B.621, subdivision 1; 97B.901; 97B.911; 97B.915; 97B.921; 97B.925; 97C.375; 97C.515, by adding a subdivision; 97C.701, subdivision 1, and by adding a subdivision; 97C.705, subdivision 1; 97C.711; and Laws 1991, chapter 354, article 11, section 2, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 84; and 97A; repealing Minnesota Statutes 1992, sections 97A.541; and 97C.701, subdivisions 2, 3, 4, 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. 768 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
768	617				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 768 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 768 and insert the language after the enacting clause of S.F. No. 617, the first engrossment; further, delete the title of H.F. No. 768 and insert the title of S.F. No. 617, the first engrossment.

And when so amended H.F. No. 768 will be identical to S.F. No. 617, and further recommends that H.F. No. 768 be given its second reading and substituted for S.F. No. 617, 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. 690 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:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
690	557				

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. 1424 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1424	975				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1424 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1424 and insert the language after the enacting clause of S.F. No. 975, the first engrossment;

further, delete the title of H.F. No. 1424 and insert the title of S.F. No. 975, the first engrossment.

And when so amended H.F. No. 1424 will be identical to S.F. No. 975, and further recommends that H.F. No. 1424 be given its second reading and substituted for S.F. No. 975, 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. 639 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.
639	1528				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 639 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 639 and insert the language after the enacting clause of S.F. No. 1528, the first engrossment; further, delete the title of H.F. No. 639 and insert the title of S.F. No. 1528, the first engrossment.

And when so amended H.F. No. 639 will be identical to S.F. No. 1528, and further recommends that H.F. No. 639 be given its second reading and substituted for S.F. No. 1528, 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. 592 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.
592	576				

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. 807 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.
807	685				

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. 622 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.
622	695				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 622 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 622 and insert the language after the enacting clause of S.F. No. 695, the first engrossment; further, delete the title of H.F. No. 622 and insert the title of S.F. No. 695, the first engrossment.

And when so amended H.F. No. 622 will be identical to S.F. No. 695, and further recommends that H.F. No. 622 be given its second reading and substituted for S.F. No. 695, 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. 1437, 1512, 1613; 693, 329, 1208, 340, 1503, 1201, 480, and 403 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 1089, 1074, 1182, 461, 1420, 163, 270, 768, 690, 1424, 639, 592, 807 and 622 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Spear moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Kelly be shown as chief author to S.F. No. 919. The motion prevailed.

Mr. Spear moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Kelly be added as chief author to S.F. No. 1566. The motion prevailed.

Mr. Cohen introduced—

Senate Resolution No. 37: A Senate resolution commemorating the dedication of the new Merriam Park Branch Public Library in St. Paul, Minnesota, on April 12, 1993.

Referred to the Committee on Rules and Administration.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time and referred to the committees indicated.

Mr. Bertram introduced—

S.F. No. 1614: A bill for an act relating to civil actions; imputing liability in dram shop actions; amending Minnesota Statutes 1992, section 340A.801, subdivision 3.

Referred to the Committee on Judiciary.

Mr. Lessard introduced—

S.F. No. 1615: A bill for an act relating to tax-forfeited lands; changing notice requirements for sales of tax-forfeited lands; modifying a provision relating to leasing of tax-forfeited lands; amending Minnesota Statutes 1992, sections 282.02; and 282.04, subdivision 1.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chandler, Riveness, Finn, Price and Ms. Anderson introduced—

S.F. No. 1616: A bill for an act relating to environmental law; establishing a private cause of action for abandonment of hazardous waste; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Environment and Natural Resources.

**MEMBERS EXCUSED**

Mr. Janezich was excused from the Session of today. Mr. Laidig was excused from the Session of today at 11:00 a.m. Messrs. Lessard and Pogemiller were excused from the Session of today from 8:30 to 9:00 a.m. Mr.

Stevens was excused from the Session of today from 8:30 to 9:15 a.m. Mr. Novak was excused from the Session of today from 8:30 to 9:15 a.m. and at 11:00 a.m. Mrs. Pariseau was excused from the Session of today from 9:00 to 10:25 a.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:30 a.m., Tuesday, April 20, 1993. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate